

Herald Tribune

Published with The New York Times and The Washington Post

No. 30,723

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PARIS, FRIDAY, NOVEMBER 27, 1981

Established 1887

Summit Failure Dashes Saudi Hopes; Israel Sees Its Arguments Vindicated

Risks Grow In Mideast, Envoys Say

By Joseph Fitchett International Herald Tribune PARIS — Saudi Arabia's failure to win an Arab consensus for its Middle East peace proposals leaves the Arab world in disarray and dashes prospects for a new initiative in the Arab-Israeli deadlock, Western diplomats said Thursday in Washington, Paris and London. U.S. and European leaders had cautiously praised the peace effort of Saudi Crown Prince Fahd, and the blow to Saudi Arabia's standing, together with the proof of deep-rooted divisions in the Arab camp, have increased the risks in the Middle East, the Western officials said. The collapse of the Fez summit meeting, without any of the face-saving formulas normally used to gloss over Arab inability to agree, disappointed moderate Arab countries and many European governments, which were hoping for the emergence of a unified Arab bargaining position, they said. After Fez, the only negotiating framework is the Camp David accord between Israel and Egypt, which most European leaders believe has become a dead end. U.S. leaders have not publicly admitted the need for a new Middle East initiative.



King Hassan II of Morocco took an informal posture Wednesday while waiting for Arab delegations to arrive at the Fez royal palace for a summit conference. He later called off the summit.

Attacked and Ignored The first Arab attempt to forge a constructive alternative to Camp David, the diplomats said, was Prince Fahd's plan. Attacked by Israel and ignored by Egypt, the plan now has been put aside, Arab sources said, leaving no obvious starting point for attempts to start broader Middle East negotiations after the final provisions of the Egypt-Israel peace treaty are completed next spring with the Israeli withdrawal from Sinai. The Saudi Arabian proposals, Arab sources said, now will be circulated again by Arab moderates in the next few months while the Saudi Arabian leaders decide whether their first major initiative fared because of tactical misjudgment or because of basic divisions in the Arab world. If success looks likely, they said, the plan will be raised again, probably at a new summit. The Saudi plan was torpedoed, Western diplomatic sources said, by a last-minute decision by Syria to boycott the summit in Morocco. Saudi Arabia earlier had appeared confident of winning over Syria, which is influential with the Palestine Liberation Organization.

Israelis Cite Syrian Gains In Outcome

By William Claiborne Washington Post Service JERUSALEM — The breakup of the 12th Arab summit in Fez, Morocco, over Saudi Arabia's eight-point peace plan is being viewed by Israeli officials as a vindication of Israel's oft-stated argument that Saudi Arabia is not a major political factor in the Middle East and that the Arab world is incapable of collectively coming to terms with the existence of the Jewish state. At the same time, Israeli policymakers, revealing a certain amount of ambivalence over the summit

fliasco, said the Arab disarray appeared to have strengthened the Revisionist Front, and in particular Syria, at the expense of Israel's long-term security interests.

A senior official, in a background briefing, said, "The lesson for Israel is that even if you have a plan along the extremist Arab line, still this is not good enough to be the basis of a collective agreement. It is a vindication of the line that we have taken, that you cannot deal with the Arabs collectively." For several months, the government of Prime Minister Menachem Begin has been showing increasing concern over the prominence Saudi Arabia has attained in the West, particularly in the United States, as a potential moderating factor in a future comprehensive solution to the three-decades-old Arab-Israeli conflict.

This concern began to grow amid reports of a strong Saudi influence in achieving a breakthrough in the July Israeli-Palestinian cease-fire in southern Lebanon. (Continued on Page 2, Col. 5)

Begin Breaks Leg In a Fall at Home

JERUSALEM — Prime Minister Menachem Begin fractured a thighbone in a fall at his home Thursday night, a government spokesman said. Mr. Begin, 68, was treated at Hadassah Hospital, where he was reported to be resting comfortably. The prime minister has been hospitalized previously because of two heart attacks and exhaustion, but for the past year he has been considered in good health.



Chancellor Helmut Schmidt of West Germany pointed at a painting Thursday during a tour of Buckingham Palace with Queen Elizabeth II as French President Francois Mitterrand watched. The queen hosted a lunch for heads of state before the opening of the EEC summit in London.

Schmidt Says U.S., Soviet Stances At Geneva Cannot Lead to Accord

By John Vinocur New York Times Service BONN — Chancellor Helmut Schmidt said Thursday that the United States and the Soviet Union were entering a new round of arms negotiations in Geneva Monday with "maximalist" bargaining positions that cannot lead to agreement. He said that the positions would have to be changed in order to reach an accord. Mr. Schmidt further asserted that both sides were using disinformation and propaganda in the figures they have offered concerning intermediate-range nuclear weapons, the matter for discussion in Geneva. Soviet President Leonid I. Brezhnev and Mr. Schmidt ended their three days of talks Wednesday with an agreement to set up separate Soviet-West German contacts on arms control parallel to the Soviet-U.S. talks. A West German spokesman, Kurt Becker, disclosed the plan at a news conference Wednesday evening, saying that the separate exchanges were considered necessary because "we are the people most deeply concerned" by the outcome of the Soviet-U.S. talks, which will seek to limit or reduce medium-range nuclear missiles in Europe. The exchanges between West Germany and the Soviet Union,

expected to be conducted at the ambassadorial level, were not mentioned in a joint communiqué issued as Mr. Brezhnev flew back to Moscow. It limited itself to saying that the two leaders "called for a continuation of the dialogue and of the contacts between the Federal Republic of Germany and the Soviet Union at the highest and other levels." After three days of conversations with Mr. Brezhnev and a telephone discussion Wednesday night with President Reagan, Mr. Schmidt said, "I am completely convinced that both the Russians and the Americans want results" in the Geneva talks. "But that's no guarantee that results will be achieved..." he added. Starting Positions The remarks seemed to be aimed at suggesting to West German public opinion that it was unlikely that the talks would produce an agreement allowing NATO to totally bypass deployment of new missiles starting in late 1983. The chancellor made his comments in a series of interviews released Thursday. A government spokesman said that Mr. Schmidt had talked with Mr. Reagan for 20 minutes and that the president said that he found the chancellor's attitude during Mr. Brezhnev's visit, and the details of the talks, "greatly encouraging."

EEC Seeks Consensus On Budget Summit Unlikely To Reach Accord

By Axel Krause International Herald Tribune LONDON — Leaders of the 10 Common Market countries opened a two-day summit meeting here Thursday with an examination of ways of expanding the European trade bloc's activities and of reforming its Common Agricultural Policy. No definitive agreements appeared likely by the time the summit ends Friday afternoon. But at a briefing Thursday evening, a spokesman for British Prime Minister Margaret Thatcher, who is chairman of the summit, said that progress toward defining major differences over the community budget had "gone rather well." The spokesman said a draft document covering unresolved issues facing the EEC was being refined and would be submitted to the summit meeting Friday. "We are trying to find language to move the discussions forward, hopeful of arriving at a consensus by the end of the meeting," the spokesman said, adding, "It won't be easy to get anything settled by the end of this year." The draft document covers expansion and development of EEC activities, reform of the Common Agricultural Policy, and individual budget contributions. Earlier, the EEC Commission president, Gaston Thorn, said prospects looked "really bleak" for the summit meeting. "One country does not want to let go of its current benefits, another wants to receive more, yet another doesn't want to pay so much," he said in an interview with the West German weekly newspaper Die Zeit. "No one wants to pay for things which might benefit a neighboring land more than his own." "The Germans forget all too easily that they have drawn the biggest benefit from the industrial market," Mr. Thorn told Die Zeit. West German Chancellor Helmut Schmidt reiterated in a radio interview Thursday that his country could not remain the only member of the European Economic Community with no link to its payments into the common fund. "We will make it quite clear we cannot accept being the only country of the 10 to be contributing without limit more than we receive in return," Mr. Schmidt said. "We are the only one whose net payments have not yet been limited." West Germany this year is expected to contribute about 6 billion marks (\$2.7 billion) more to the EEC budget than it receives from it. Britain, the only other net contributor to the budget, agreed to a compromise formula in June, 1980, that reduced its payments. As part of that accord, Bonn's contributions were increased. Chancellor Schmidt said Thursday that West Germany did not intend to start a major dispute in London on the issue. But he said proposals for restructuring the EEC budget, including the Common Agricultural Policy, were "not yet concrete enough." West German delegation sources said that Mr. Schmidt came ready to discuss EEC expansion but added that he was reluctant to undertake initiatives that would place additional burdens on Bonn's contribution to the budget. At the opening meeting at Lancaster House, Premier Andreas Papandreu of Greece underscored to his fellow heads of government what he had promised in the election campaign that brought him to office last month: that Greece would seek a special status within the EEC. He said that the goal would be to protect Greek agriculture. 3 Party Officials Fired in Romania Over Mine Unrest The Associated Press BUCHAREST — Three high-ranking party members were dismissed Thursday, a government communiqué announced. At the same time, government officials denied reports that President Nicolae Ceausescu had visited an important mining area to ease unrest among miners. Virgil Trofin and Vasile Ogarla, both Central Committee members, and Nicolae Gavrilescu, a regional party leader, were all fired because of production problems at one of the country's largest mining complexes, according to an official communiqué released here. The officials were responsible for the loss of large quantities of mined coal, the communiqué said. The shake-up took place a week after disclosure of unrest goals in the coal and oil industries. Officials here denied that Mr. Ceausescu toured the industrial Gorj County area, where disturbances were reported among miners last month because of a government decree rationing sugar, oil and other food products.

Seychelles Says Troops Repulse Mercenaries

VICTORIA, Seychelles — Seychelles troops repulsed an attack by 45 mercenaries on the international airport Thursday, the government said. It said the attackers came from South Africa and that a group of fleeing mercenaries hijacked an airplane to the South African port of Durban, where they were arrested. Diplomatic sources in Victoria, the Seychelles capital, on the main island of Mahé, said the fighting began Wednesday afternoon and lasted 20 hours. President Albert René made a broadcast after dawn to report that he was in control and to appeal for calm as heavy gunfire and explosions shook the airport area. Officials said that mopping up operations had begun by midday. In a first detailed account of the attack, a Defense Ministry communiqué said that 45 attackers, armed with rocket-propelled grenades, rocket launchers, hand grenades and submachine guns, had taken about 100 persons hostage before seizing control of the terminal building at Pointe Larue International Airport, 15 kilometers (9.5 miles) from the capital, Victoria. Took Control Tower They also took over the cargo terminal and control tower in their attack, which began at 5:30 pm Wednesday, the government statement said. "After very heavy fighting at the cost of very few casualties, the defense forces, which included the police forces and the people's militia, succeeded in dislodging the mercenaries and regaining full control of the airport," the communiqué said. "The Seychelles people's defense forces are continuing mopping-up operations." The communiqué said that the attack started after about 45 armed foreigners landed aboard a scheduled Royal Swazi Airlines flight from Mozambique, capital of Swaziland. "Those mercenaries who were not killed or captured, or who had not fled back to the safety of South Africa by hijacking an Air India Boeing 707, fled into the hills around the airport," the statement said. "The country's defense forces are tracking them down." There was no official word on the number of casualties, but South African security sources said the hijacked Air India Boeing 707 arrived with one dead man aboard and two injured. The 65 passengers and 14 crew members were released unharmed. 3d Plot Thwarted It was the third time since Mr. René seized power from former President James Mancham in 1977 that his leftist government reported thwarting a plot by international mercenaries. Mr. Mancham, speaking from exile in London, said that he knew nothing about the attack until he received an anonymous telephone call Wednesday night. The government said the mercenaries arrived aboard a Fokker F-28 belonging to the Swaziland airline, Royal Swazi Air. It was reported earlier that more than 100 men were involved; the plane normally has a capacity of about 65. The security sources in South Africa reported that several dozen people on the hijacked Boeing might have been involved and said that veteran South African and Rhodesian soldiers could be among them. The South African Press Association said that more than 40 young white men thought to have been connected with the incident were flown from Durban to a military base near Pretoria. Fears of foreign-backed plots were reinforced in May, 1978, when a small, well-armed group of mercenaries seized power in the neighboring Comoro Islands. The Comoros, like the Seychelles, are a widely scattered archipelago with a limited defense force.



THE BIG DAY — Shirley Williams, candidate of the Social Democratic-Liberal alliance, greeted voters Thursday in a by-election in a district north of Liverpool that could indicate if the newly formed Social Democrats can break the two-party tradition of British politics.

Protests Laid to 'Protestant Angst' Pentagon Aide Derides Europe's Anti-War Movement

By Robert Scheer Los Angeles Times Service WASHINGTON — A high Pentagon official who plays a key role in the formulation of U.S. arms-control policy, has derided the European anti-war movement as the product of "Protestant angst" and has charged European church leaders with exploiting fear of nuclear war in order to revive flagging church membership. Assistant Secretary of Defense Richard N. Perle also charged there is "heavy-duty Soviet involvement" in the movement, which has mobilized hundreds of thousands of Europeans in demonstrations against the proposed deployment of U.S.-made Pershing-2 and ground-launched Cruise missiles on the continent. Mr. Perle, co-chairman of an interagency group preparing for next week's negotiations on deployment of intermediate-range nuclear forces in Europe, said that the demonstrations are a result of "Protestant preoccupation" with the loss of moral values in the face of material prosperity. In a rambling three-hour interview, Mr. Perle said, "It's a remarkable thing that the churches in countries where organized religion has suffered a decline in recent years should be revitalized over the issues of disarmament and neutralism. I had a Dutch friend tell me that the disarmament campaign has been good for the membership drive in the church. "With the ability to bring people into the churches with seminars on GLCMs [ground-launched Cruise missiles] and Pershing-2s, you can hardly blame the clergy for holding seminars on GLCMs and Pershing-2s." Communist Efforts Seen Mr. Perle also charged that the church-led demonstrations have coincided with Communist efforts to manipulate European opinion against deployment of U.S. nuclear weapons. "There is an element of Soviet involvement and indigenous Communist involvement," he said. "The movement is not nearly so well-intentioned. It's not simply a search for a more moral universe. There's a united front element in all of this, and there's a heavy-duty Soviet involvement... Some of these demonstrations have been planned and organized in East Germany." Mr. Perle's attack on the European movement takes on added significance because he currently is chairman of the so-called High-Level Group of NATO, which includes representatives of defense ministries and is the logical forum for debates within the alliance about strategy and policy. Mr. Perle, who is Jewish, drew a distinction be-

Allen Gets Payments For Sale of Business

By Patrick E. Tyler and Lee Lescaze Washington Post Service WASHINGTON — Since becoming White House national security adviser, Richard V. Allen has received monthly payments from the sale of his interest in a Washington consulting firm, some of whose clients he has continued to meet with and advise on an ad hoc basis. The payments, geared to retire a total debt to Mr. Allen of between \$100,000 and \$250,000, were revealed Wednesday when Mr. Allen amended for the second time in eight days a financial disclosure statement he filed in February with the White House counsel, Fred F. Fielding. It had been reported that Mr. Allen sold the firm, Potomac International Corp., to Peter D. Hannaford, a former aide and speechwriter for Ronald Reagan before his election as president. It had not been reported that instead of paying a lump sum for Mr. Allen's interest or financing the sale through a bank, Mr. Hannaford entered a debtor relationship with Mr. Allen, agreeing to pay him on an installment plan, the terms of which White House officials would not disclose. This arrangement raises questions of whether a conflict of interest has arisen since Inauguration Day in Mr. Allen's regular contact with Mr. Hannaford, Mr. Hannaford's clients and a Japanese professor who had served Mr. Allen and now Mr. Hannaford as a contact with some Japanese industrial leaders. Not Available Mr. Allen and Mr. Hannaford were not available for comment Wednesday. Mr. Fielding's deputy, Richard A. Hauser, said White House officials had looked at whether Mr. Allen was in a conflict-of-interest position with Mr. Hannaford. He said they decided that "it's an argument that can be made, but I don't think it's all that real." In another development Wednesday, a White House aide who asked not to be named said Mr. Allen "might well decide to step aside" if a special prosecutor is appointed to look into a \$1,000 payment that Mr. Allen accepted from a Japanese journalist. Mr. Allen's personal secretary, Irene G. Derus, told a reporter Wednesday that Mr. Allen always intended to turn over to proper authorities the \$1,000 thank-you fee given him in the White House on Jan. 21 by the Japanese magazine reporters. Instead, the money was put in a safe where it was accidentally discovered eight months later. First Modification Mr. Allen amended his financial disclosure statement for the first time Nov. 17 after Mr. Fielding's office was asked to resolve conflicting statements by Mr. Allen and Mr. Hannaford on when the consulting firm changed hands. Mr. Hannaford had said in an interview that the sale occurred Jan. 18, two days before the inauguration. Mr. Allen said on his disclosure statement that he sold the business in January, 1978. In a recent note to Mr. Fielding, Mr. Allen said: "I provided the wrong date for one of the entries. Actually, I remained president of Potomac International Corp. until January, 1981, as opposed to the way it is stated: 'January, 1978.'" A White House aide stressed Wednesday that no decision has been made on whether Mr. Allen would continue in office if Attorney General William French Smith decided that the case should be turned over to a special prosecutor under the Ethics in Government Act. "I think it is fair to say there are many in the White House" who feel that Mr. Allen might step aside, he said, "but I'm not aware of any decision being made."

Israel Set to Tell U.S. It Will Rebuff Europeans

TEL AVIV — Foreign Minister Yitzhak Shamir said Thursday that as things stand now he will tell Secretary of State Alexander M. Haig Jr. on Friday that Israel will bar four European countries from sending contingents to the multinational force to police the Sinai after the Israeli withdrawal in April.

Mr. Shamir, who is responding to an unexpected invitation from Mr. Haig to discuss issues clouding relations between the United States and Israel, received his directives in Jerusalem on Thursday in a conference with Prime Minister Menachem Begin and Defense Minister Ariel Sharon.

Mr. Shamir told reporters after the meeting that Israel was unequivocally opposed to the inclusion of military units from Britain, France, Italy and the Netherlands because those governments linked their participation with a European Economic Community resolution adopted last year at a meeting in Venice. The resolution favored

the principle of a homeland for Palestinians.

Mr. Shamir said Israel would not initiate an approach to the Europeans to modify their terms because Lord Carrington, the British foreign secretary, had already described the terms as final.

Support for Begin

The Labor Party opposition leader, Shimon Peres, closed ranks with the government Thursday, saying that Labor was also irrevocably opposed to accepting the participation of the four European countries on their terms. But he advocated another attempt to induce them to change their position.

He accused the four European governments of twisting the intention of the peacekeeping force. Their statement omitted mentioning that its purpose was to guarantee freedom of navigation through the Strait of Tiran.

He said the Venice resolution that the four governments added to their announcement about join-

ing the force was objectionable because it envisaged bringing the Palestine Liberation Organization into the negotiations without requiring the PLO to renounce its pledge to destroy Israel, and because it called for Palestinian self-determination. He said the latter proposal would mean the establishment of a Palestinian state between Jerusalem and the Jordan River.

The Cabinet is scheduled to take its stand formally at Sunday's weekly meeting, and Mr. Shamir hopes to be back in Jerusalem in time to report on his Washington talks. Mr. Begin told the newspaper Ma'ariv Thursday that he would ask the Cabinet to veto the participation of units from the four countries under present conditions.

Also traveling to Washington are army officers headed by Maj. Gen. Abraham Tamir; their role is to clarify issues concerning a memorandum of understanding for strategic cooperation between Israel and the United States.

In an address to the Israel-America Chamber of Commerce on Thursday, Lt. Gen. Raphael Eitan, the chief of staff, repeated Mr. Begin's warning that Israel would not complete its withdrawal from Sinai in April if the multinational force were not deployed there in accordance with the peace treaty. However, officials here said the European involvement was to have been marginal and their rejection need not hold up the organization of the force.

"The Americans have the responsibility to put the force together," a British official said. "It's up to them to negotiate with the Israelis."

Despite a renewed veto warning by Mr. Begin, European Economic Community diplomats said they were still hopeful that Mr. Haig would succeed in saving the Sinai force plan.

British officials said the four nations that have expressed willingness to contribute small units had responded to a U.S. request for their participation, and that it was for Washington to handle problems that might arise.

The Sinai force and Mr. Begin's threat was to be discussed by government leaders of the 10 EEC nations at a conference opening in London.

EEC diplomats believed Mr. Begin might be maintaining the veto threat in an attempt to improve on a strategic cooperation agreement between Israel and the United States. They said it was possible he



Yitzhak Shamir

WORLD NEWS BRIEFS

Chad Force Leaders to Meet in Kenya

NAIROBI — Leaders of African states that have pledged to send troops for a peacekeeping force in Chad will meet here Friday, the official Kenya News Agency reported Thursday.

The talks follow the postponement of a summit conference set for last Friday in Kinshasa, Zaire. No details were available on plans for the Nairobi meeting, and it was not known which countries would be represented by heads of state.

Kenya President Daniel Arap Moi, current chairman of the Organization of African Unity, who will chair the meeting, said that the heads of state would discuss details of the inter-African force.

Egypt Terrorists Believed Still Free

CAIRO — Mohammed Hassanain Heikal, a journalist jailed by Anwar Sadat and released by his successor, Thursday quoted President Hosni Mubarak as saying that Islamic terrorist groups in Egypt had been brought under control but had not been wiped out.

Mr. Heikal, 58, former editor of the influential Cairo daily Al-Ahram, was among 1,536 persons arrested by Sadat in a crackdown on religious extremists and political opponents in September. He was among 31 released Wednesday.

Palestinians Set Bombs in Lebanon

TEL AVIV — Palestinian guerrillas planted bazookas and a large bomb Thursday on a road controlled by Christian militiamen in southern Lebanon, generating renewed tension between militiamen and United Nations troops, militia sources said.

They said Maj. Saad Haddad, the Israeli-backed Christian militia leader, blamed the UN peacekeeping force for allegedly failing to block the guerrilla infiltration in the eastern sector of his domain.

The sources said militiamen disarmed the bomb and the bazookas, which were timed to go off automatically.

Tehran Seeks to Nationalize Trade

LONDON — Iran's parliament Thursday approved the outline of a government plan to nationalize all foreign trade, Tehran radio reported.

A spokesman, contacted from London, said the plan already had the blessing of Ayatollah Ruhollah Khomeini, the revolutionary leader, and would enable the government to control imports and exports, depriving the powerful bazaars of their traditional direct deals with foreign firms.

China Delays Revising Constitution

PEKING — China formally announced Thursday that it is putting off a scheduled revision of its constitution, a move that diplomatic analysts said may reflect disagreement on the question of who should become head of state.

Peeking radio and television said a redrafting committee meeting next week would ask the National People's Congress, China's parliament, for more time to conclude its work.

The post of state chairman, or head of state, was abolished under Mao. Diplomatic and Chinese sources said that the new constitution may revive the post, and that Communist Party Deputy Chairman Deng Xiaoping would be the most likely candidate for it. But they added that Mr. Deng, 77, may be unwilling to take it. It would be difficult to find another acceptable candidate, they said, and the post may not be reinstated.

Giscard Ex-Aide Denies Cover-Up

PARIS — Former Interior Minister Michel Poniatowski testified Thursday that there had been no political cover-up after the 1976 murder of Prince Jean de Broglie, a longtime close associate of former President Valéry Giscard d'Estaing.

Mr. Poniatowski gave his evidence on the 16th day of a trial described last week by presiding judge André Giresse as France's Watergate. A businessman, a police inspector and two other men are accused of plotting the Christmas Eve murder of the former parliamentarian.

Mr. Poniatowski explained how he and Mr. Giscard d'Estaing had distanced themselves from their former associate in 1973 because of his shady business connections. He also repeated earlier public statements that he had had no knowledge of a police report on the murder plot dated three months before the crime.

India Accepts Pakistan Peace Bid But Answer May Preclude Results

By Stuart Auerbach
Washington Post Service

NEW DELHI — Two months after Pakistan first made its proposal for a nonaggression pact, India has made a positive response.

The answer, however, was couched in a way that appears guaranteed to bring no results.

Foreign Minister P.V. Narasimha Rao told both houses of Parliament Wednesday that India would consider Pakistan's offer of a nonaggression agreement on the basis of its being an unconditional acceptance of an Indian proposal first made in 1949, repeated "on numerous occasions since" but continually rejected by Pakistan.

Offer Called Flawed

[Prime Minister Indira Gandhi alleged in Parliament Thursday that Pakistani troops had fired across the Indian-Pakistani border several times in the last few months without provocation, the Guardian reported from New Delhi.]

[Replying to questions, Mrs. Gandhi said that there were "55 incidents of firing and two minor intrusions by Pakistani armed forces personnel across the line of control in the border state of Jammu and Kashmir in the last three months."

"While the matter has been taken up with the government of Pakistan, all precautions have been taken to ensure security of our personnel," she said.]

Mr. Rao's statement on the Pakistan offer was made a day after Mrs. Gandhi told a National De-

fense College audience that India is willing to discuss a nonaggression pact if Pakistan really is serious about it.

But Mrs. Gandhi repeated the Indian position, also contained in Mr. Rao's statement to Parliament, that Pakistan's offer is flawed because it was contained in a statement announcing Islamabad's acceptance of a five-year, \$3.2-billion military sales and economic aid package from the United States.

That Pakistani statement, Mr. Rao said, justified the acquisition of arms "which are more likely to regenerate confrontation and to promote an arms race on the subcontinent."

He suggested that Pakistan's Sept. 15 offer "to enter into immediate consultations with India for the purpose of exchanging mutual guarantees of nonaggression and nonuse of force" was aimed more at Washington, where the Congress was beginning hearings on the aid package, than at New Delhi.

Battle for Public Opinion

India's reluctance during the last two months to take up Pakistan on its offer to renounce war illustrates the lack of trust and understanding that permeates the relations between these two countries, which have fought three wars in the past 34 years.

It also shows how India, by far the more powerful of the two neighbors, has been unable to meet the new Pakistani peace offensive, which has left New Delhi stutter-

ing and given the Pakistani martial-law government of Mohammed Zia ul-Haq an advantage in the international battle for public opinion.

It appeared that the statement Wednesday was an attempt by the Gandhi government to reverse that image.

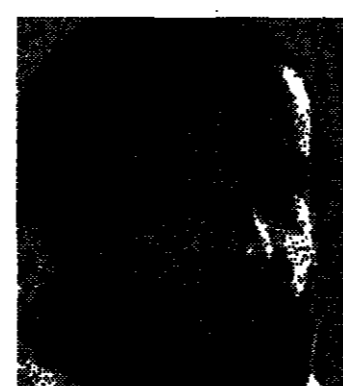
Kashmir Issue

Mr. Rao's statement seemed to be laying the groundwork for rejection since he listed previous rejections by Pakistani leaders to accept a nonaggression pact without first solving the question of who shall govern the disputed territory of Kashmir — the direct cause of two of the three Indian-Pakistani wars.

The latest no-war pact offer does not mention the Kashmir issue, but the Rao statement quoted press reports of Pakistan's foreign minister, Agha Shahi, telling correspondents in New York that Gen. Zia's offer does not contradict a previous position that any no-war pact should follow the resolution of the Kashmir dispute.

The Indian task is further complicated by its large-scale arms acquisitions at a time when it is trying to blame Pakistan and the United States for starting an arms race on the subcontinent.

Nor Ahmed Husain, director general of the Pakistan Institute for Strategic Studies in Islamabad, estimates that India has concluded deals for the purchase of \$10 billion to \$12 billion during the last five years.



Jörg Meyer

East German Spy Freed in Denmark

COPENHAGEN — The Danish government announced Thursday that an East German, Jörg Meyer, 37, serving a six-year espionage sentence, has been released and pardoned, and has gone to West Germany as part of a major East-West exchange.

Mr. Meyer was arrested here in late 1978 after posing as a West German university student. He was convicted in November, 1979, of having persuaded a Danish girlfriend to smuggle out classified documents from the Foreign Ministry, where she had taken a temporary job at his urging. Ministry officials had termed the documents relatively "harmless."

Minister of Justice Ole Espersen said he understood the exchange was involving, among others, up to 70 West German citizens in prison in various Eastern Bloc countries.

Israel Sees Vindication After Summit Collapse

(Continued from Page 1)

non. It peaked last month when the Reagan administration expressed interest in the eight-point Saudi peace proposal, which calls for Israeli withdrawal from the remaining territories occupied in the 1967 Six-Day War and the right of the states of the region to exist in peace.

Mr. Begin and other Israeli leaders have consistently maintained that U.S. perceptions of Saudi Arabia as a potentially major diplomatic force in the region were misguided, and that Saudi Arabia, in reality, is an impotent, unstable force in the Arab world.

"They [the Saudi Arabians] put a lot of energy into that peace plan, with visits, cajoling and promising here and there," the senior official said. "It was unprecedented. For them, this is a setback. It demonstrates what you can and cannot get out of Saudi Arabia."

'No Political Clout'

He added: "Saudi Arabia is just not a strong country. We have been saying that all along. It has lots of money, oil and real estate, but it obviously is not held in great respect by the other Arab countries. It has no political clout. Fez showed in a real measure what they can't achieve."

The official said that Egypt, Israel's new ally, had been strengthened because of the general weakening of Arab unity that was apparent in Fez.

He rejected the notion that a broader solution to the now dormant crisis over Syrian missiles in

central Lebanon would be harder to achieve because the Saudis had suffered a major political setback at the hands of Syrian President Hafez al-Assad.

"Our position is that the Saudis did not play a key role in obtaining the Lebanon cease-fire," the official said. "They meddled with money, but United States intervention was the most important factor."

Senate in Madrid Votes for NATO

United Press International

MADRID — Spain's Senate Thursday approved the government's proposal to join NATO, clearing the way for an official request for membership that is expected to be made early next week.

The vote in the Senate, which is controlled by the governing Union of the Democratic Center, was 106 in favor and 60 against, with one abstention. On Oct. 29, the more powerful lower house of the Cortes approved the move by 186-146.

The Senate vote was largely a formality.

According to diplomatic sources, Nuño Aguirre de Carcer, the nation's ambassador to Belgium, will formally state Spain's wish to be invited to join NATO in a letter to its Brussels headquarters next week. An invitation is expected to be offered during a NATO foreign ministers' meeting in Brussels Dec. 10-11.

Trouble Flares in Polish Industrial Regions

By Brian Mooney
Reuters

WARSAW — The Polish government and the free trade union Solidarity held apparently inconclusive talks Thursday as fresh trouble flared between local union activists and the authorities in two major industrial centers.

The police detained Solidarity members caught putting up posters in Plock and Chorzow, and the union threatened strikes because of the incidents.

The problem in Plock was resolved when the union members were released, but Solidarity officials in the Silesian city of Chorzow went ahead with strike plans because the union said nine per-

sons were still detained. State television later announced that all the detainees in Chorzow had been released.

Both incidents occurred Wednesday night, and Solidarity said the police beat and clubbed about 25 persons who were detained in Chorzow.

Union Account

Solidarity's account of the incident in Chorzow said it had taken place near a railway station when its members were putting up posters demanding union access to news organizations.

They were attacked by policemen who had arrived in four trucks. The police detained and

then clubbed 25 people, including passersby, Solidarity said. It said one of the passersby, a worker in a local steel mill, suffered a concussion and had to be taken to hospital.

In negotiations Thursday, Solidarity officials said there appeared to have been no progress in talks on control of the economy. The meetings were held on the eve of a Communist Party Central Committee meeting and after a Politburo hard-liner rejected proposals by Lech Walesa, the Solidarity leader, that the union be given the power to veto government decisions.

Stefan Olszowski said in an interview in the party daily Trybuna Ludu that proposals for Solidarity to have such power would upset any possible "Front of National Accord."

Mr. Walesa had proposed the right of veto as a precondition for union participation in a front, but Mr. Olszowski suggested that such power would paralyze government.

A government spokesman said the talks with Solidarity on Thursday covered both the union's proposal for a non-party social council to oversee economic policy and the government's plan to set up a joint commission that would include both union and party.

Solidarity originally demanded that the non-party council be empowered to initiate legislation, but after resuming negotiations with the government it fell back to seeking only a consultative body.

\$30-Million Food Grant

SANTA BARBARA, Calif. (UPI) — President Reagan has authorized a \$30-million food grant for Poland to help alleviate a "severe shortage" of food there, the White House announced.

"This food grant reflects the humanitarian concern of this nation for the well-being of the people of Poland," Mr. Reagan said Wednesday.

Schmidt Calls Talks Stands By U.S., Russia Extremist

(Continued from Page 1)

knows what the other has down to one or two units, exactly how many planes and missiles the other has.

"That's disinformation, all these numbers spread around the world, that's both Western and Eastern propaganda."

"At present," he continued, "the Americans tend to publicly play down their own military capabilities. The Soviet Union tends to overstate American capabilities and to make their own smaller than they are."

A government spokesman reported that Mr. Schmidt would be discussing the figures and his meeting with Mr. Brezhnev in Hamburg Saturday with Paul Nitze, the chief U.S. negotiator at Geneva.

Mr. Schmidt said that he felt that Mr. Brezhnev better understood the U.S. bargaining position, if not completely, as a result of the talks here. "We were able to furnish answers to many questions that were asked of us in the tête-à-tête. What's meant by that? And does President Reagan really want to negotiate seriously? And does he want results? We said he wants them and that you'd better convince yourself of it."

The chancellor described the Russians as "not being people who move quickly. They feel their way," he said, and as a result were dismayed and confused by America's rapid political changes, attitudes and strategies.

Played No Role

As far as what he called the West German peace movement was concerned, the chancellor said that it had played no role in the talks and that the Russians had asked no questions about it.

But he said that he felt that they might have wanted to ask about the political stability of his government, which has been periodically shaken by deep disagreements on the budget between the Social Democratic and Free Democratic coalition partners, and disension within the Social Democratic Party about whether West Germany should accept deployment of the U.S. missiles.

Mr. Schmidt said that he told the Russians that any future government would stick by the deployment plan and, "Don't get your hopes up, this government is staying in office."

Contacts between the Soviet Union and West Germany on medium-range weapons — about which the United States apparently was not consulted — would break a pattern within NATO. During the Soviet-U.S. talks on limiting strategic, or long-range, arms, the Western allies avoided separate contacts with Moscow on the subject.

Mortal danger to Israel:

Menachem Begin's reaction to the "AWACS deal" is that it poses a "mortal danger" to Israel and that the Saudi point plan for peace is "a plan for the liquidation of Israel." Has Begin ever asked how much of a "mortal danger" to Israel he himself is - for having created all the circumstances and conditions to make support of such a "deal" by the Reagan administration and the Senate of the U.S.A. a factual reality?

Did his use of American supplied planes to bomb the Iraqi reactor at a time dictated by Sharon's reelection campaign strategy and Begin's indiscriminate bombings of innocent Arab refugees in Lebanon, killing Arab women, Arab children, the aged, the sick, the defenseless poor, not invite the disaster for Israel of alienating the U.S. community and the entire civilized world from his violent "preemptive" strikes and from his intransigence and dilatory tactics for Palestinian autonomy which made survival of Anwar Sadat and Camp David questionable?

General Sharon's declaration: "When it comes to our security and existence Israel will not show any flexibility whatsoever. We've decided to live" — is in violation of the Jewish tradition that to live you have to live and let live and is a preparation for suicide.

If you live by the sword you die by the sword...

In June 1981, before the Israeli elections to the Knesset, I went on a hunger strike for 15 days in Dachau Jewish Memorial Synagogue of the concentration camp in Germany, asking Begin in the name of the Jewish people sacrificed there to resign... His involving Israel in the politics of a "mad bomber", puts the entire Jewish people in mortal danger. Begin's resignation and retirement from politics now would be better-late-than-never and a real contribution to peace in the Middle East. The blood of Anwar Sadat is on the hands of Menachem Begin just as much as on the hands of those that pulled the trigger and as long as Begin remains in the public-eye this blood will cry out for revenge.

Dr. Adan Graetz-Bentovim, Florence, Italy.

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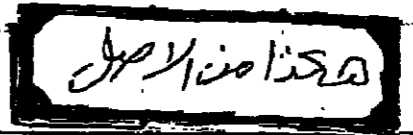
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Dr. Adan Graetz-Bentovim, Florence, Italy.



On the Reagan Ranch, Riding and Doing the Chores Are the Order of the Day

By Steven R. Weisman
New York Times Service
SANTA BARBARA, Calif. — When dawn breaks in the mountains, the embers are barely smoldering in the two fireplaces in Ronald Reagan's five-room, 100-year-old adobe ranch house.

At this time of year, the first order of the day for the president of the United States is not to read his national security briefing, or to meet with his top aides. It is to get the fires burning again, because his house is cold.

"You'd be surprised, even in California — we're up at 2,400 feet — how many days there can be where you have to keep the fires going all day," Mr. Reagan said in an interview. "And a cord of wood goes awfully fast when you do that."

For Mr. Reagan and his wife,

Nancy, the routine of their holidays has not changed much in the last year, except that each time they go horseback riding on some of the 12 miles (19 kilometers) of trails that lace their 638-acre ranch, and each time Mr. Reagan ventures out to chop wood and clear brush, the White House press office puts out an announcement about it.

Important Call

The other change, of course, is that occasionally when Mr. Reagan is out doing his chores or riding, a Secret Service man's walkie-talkie crackles with a message that there is an important telephone call back at the house.

The Reagans left Washington for the Thanksgiving holiday on Monday, a day later than they had planned, because of the president's confrontation with Congress over

the budget. In fact, Mr. Reagan concedes that there was more than a trace of personal impatience in his voice as he appealed for a solution to the impasse at the beginning of the week.

"Oh, I was very much thinking also that we were all either stuck there, or we were all going home for Thanksgiving," Mr. Reagan said in an interview aboard Air Force One, en route to his beloved Rancho del Cielo, or "Ranch in the Sky."

Big Two

The Reagans were having the family over Thursday for a Thanksgiving dinner of turkey, sweet potatoes, mince pie and persimmon pudding. But for the president, the week will have been spent largely with the two men who are almost constantly at his side here, much the way that his

closest advisers, Edwin Meese 3d, James A. Baker 3d and Michael K. Deaver, the Big Three, are at his side at the White House.

The ranch's Big Two are Barney Barnett, a burly 68-year-old retired highway patrolman who used to serve as Mr. Reagan's driver, and Dennis LeBlanc, a rangy 35-year-old former California state policeman who now serves at the White House as deputy director of special support services.

"It really isn't a case of just finding things to do," said Mr. Reagan. "It is really a case of having a list of projects, of things that you've always wanted to get done. And so every time you go, why, you set out to do as much of it as you can."

The ranch is reached by a narrow road that winds north from the coastline at Refugio State Park past gullies, wildflowers and groves of lemon and avocado trees

before it goes up into the Santa Ynez Mountains.

The Reagans bought it for half a million dollars in 1974, when the house on it was little more than a shack with a corrugated aluminum roof. With the help of Mr. Barnett, Mr. Reagan knocked out the walls, laid a vinyl floor in the veranda and installed a tile roof.

"And we — we — put that tile down," Mrs. Reagan said emphatically, pointing to a picture of the veranda. "And we painted that. Nobody will believe that, but it's true."

Mrs. Reagan also helped paint the fences that Mr. Reagan, Mr. Barnett and Mr. LeBlanc constructed out of used telephone poles. "I think that's why he married me, because he got his fences painted," Mrs. Reagan said, laughing.

She finally had a pair of jeans

that were so stiff with paint that you actually could stand them up," the president said.

A normal day for the Reagans begins with breakfast and a couple hours of horseback riding, with the president riding Little Man, a thoroughbred, and wearing faded jeans, cowboy boots and an old shirt. "It's always seemed nicer to me to ride in the mornings," said Mr. Reagan, explaining that the afternoons were for chores.

Chain Saws

However, the three men do not chop down any trees. Instead, they put three motorized chain saws into the back of a battered old jeep and head out to places where trees or branches have already been downed because of old age or bad weather.

After sawing the wood, the men split it with a machine that the

Reagans gave each other as a Christmas present last year. The president used to split logs with axes, wedges and a sledgehammer, but his new hydraulic splitter shoves the logs with great force against a wedge, and they split automatically with a loud crack.

Mr. Reagan is careful to wear gloves when he works, because otherwise the heavy bark and branches would cut his hands, and because poison oak abounds all around the property.

Other chores are hauling rocks that tumble on to the roadways, or repairing trails and roads washed out in rainstorms.

Greatest Therapy

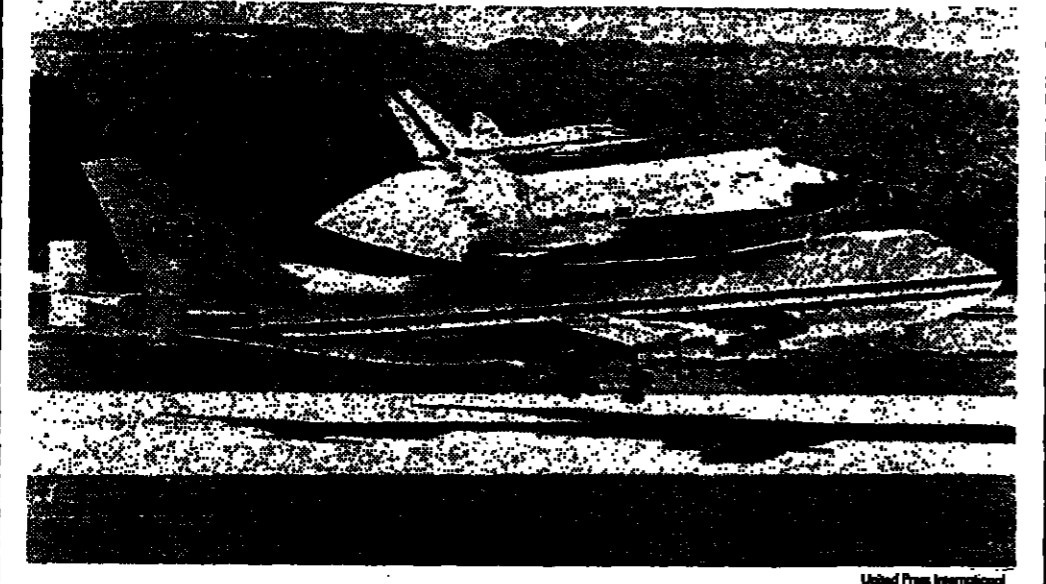
"It's the greatest therapy in the world, because it becomes all-important," Mr. Reagan said, referring to his chores. "And you come in at the evening for dinner and all, and you go to bed thinking about, well, now tomorrow you go

back to what it was we were doing and finish that up."

The president's next big project is the construction of a guest house behind his own ranch house, but this time the Reagans won't be able to build it themselves.

The ranch, which a reporter saw on a previous presidential visit, has a stable and a bunkhouse occupied by Lee Clearwater, the permanent caretaker, who is usually not around when the Reagans are there, as well as seven small, temporary buildings used for military personnel, security offices and offices for the president's physician and close aides.

"When we put in the temporary buildings, he told us he didn't want to see the stuff," said Mr. LeBlanc. "He told us what he wanted — I should say he told us what he didn't want. He didn't want to hurt the land or leave any scars on it. Everything we put in can be taken right out."



DOWN TO EARTH — The space shuttle Columbia, riding atop a 747, moved toward landing at Cape Canaveral, Fla., after a flight from Edwards Air Base in California, where it landed after its second mission. A T-38 flies escort to the shuttle and the 747.

Brazil Space Project Moves Ahead With Goal of Launching Satellites

By Jim Brooke
Washington Post Service
SAO JOSE DOS CAMPOS, Brazil — As the U.S. space shuttle Columbia took off over the North Atlantic recently, technicians on the other side of the equator were preparing a Brazilian Probe-3 rocket for a routine launch over the South Atlantic.

Fired from Brazil's coastal space center at Natal, Brazil's Probe-3 missiles have attained a height of 375 miles (600 kilometers) and have reached a speed of Mach 3 — three times the speed of sound.

The rocket launchings are part of a \$1-billion "Complete Brazilian Space Mission" — a program that calls for a team of 1,000 Brazilian scientists and technicians to design, build and launch four low-level orbiting satellites by 1993.

Almost 500 years after its discovery, half of Brazil's Amazon has yet to be mapped in detail, and the Brazilians now hope to learn

about what is on the ground through space satellites.

"Brazil is a continent, and we have inaccessible regions that can only be reached through satellite," says Brig. Gen. Hugo de Oliveira Piva, director of the Brazilian Air Force's Institute of Space Activities. Under Gen. Piva's direction, scientists are designing a Probe-4 rocket, which is to rise 600 miles when launched in 1983.

Located on this city's Avenue of the Astronauts, Gen. Piva's rocket-building institute is coupled with an adjoining civilian Space Research Institute, where scientists are developing the first Brazilian-made satellites. Together, the centers could be considered the equivalent of the National Aeronautics and Space Administration, the U.S. space agency. Not by chance, they are found in Sao Jose dos Campos, South America's largest center of high-technology research.

From the northeastern space center at Natal, the Brazilians have

launched 260 rockets in the last 10 years. But, squeezed for room and seeking a better launching pad for equatorial orbits, the Brazilian Air Force has expropriated 325 square miles (845 square kilometers) for a base at Alcântara.

The new site is two degrees from the equator and 20 times larger than the Natal center. Rockets fired from Alcântara will be tracked on an eastward path from Natal, and from a new monitoring station to be installed on Fernando de Noronha, a Brazilian island in the South Atlantic.

Compared with other Third World giants, Brazil lags behind in the space race. Both India and China built and launched satellites during the 1970s. But the Brazilians say the rapid Chinese and Indian advances are military-inspired.

"Probe-4 could carry an atom bomb," Gen. Piva conjectured. "But it would miss. It's a very long way to accurate military use."

French Socialists Pushing Protests On U.S. Involvement in El Salvador

By Aline Mosby
United Press International
PARIS — Across Paris the new posters appeal, "Join the March Against U.S. Intervention in El Salvador."

Since Francois Mitterrand was elected president, one firm element of French foreign policy has been disapproval of superpowers intervening in other states, putting the Soviet presence in Afghanistan and the U.S. presence in El Salvador into one pot.

Socialist Party activists — with Mr. Mitterrand's wife Danielle in the lead — organized International Solidarity Committees throughout France to aid Third World countries and movements, particularly the El Salvador Democratic Revolutionary Front, political arm of the guerrillas battling the military regime.

Chic Neighborhood

El Salvador dissidents have been evident in Paris since 1979 but had little backing until Mr. Mitterrand's victory in May. Now they work in an office in a spacious apartment overlooking the chic neighborhood around the Centre Pompidou national art and cultural center.

"Francois Mitterrand's policy is that [the Salvadoran dissidents] must be recognized internationally as representatives of a political party — they have the right to express themselves," said the head of

the Socialist Solidarity movement, Anne Hantecloque, in her office at party headquarters.

"Now we start to campaign for El Salvador. We must make a lot of noise immediately with a march in Paris against U.S. intervention in Salvador," she said. "Our campaign generally is an information campaign, to hold meetings with speakers on Salvador. We also collect funds for Salvador refugees, both in Salvador and abroad, and for the Democratic Revolutionary Front office in Paris. We have links to El Salvador committees in the United States. They contacted us after Mitterrand was elected."

She added that the Socialist Party backs "a peaceful solution with all parties participating."

At the El Salvador Front's trim new office, Aljo Sigal, a Salvadoran exile teacher who works for the movement, explained that orders for the Front in Paris come from El Salvador. He gestured to a telex in the corner.

Posters showing hungry refugee children lined one wall. But no Front sign hangs on the apartment door and, at the request of a nervous apartment owner, a name on the doorbell downstairs makes no mention of El Salvador.

Mr. Sigal said the group is supported not only by the Socialist Party but also by the Association Against Hunger, Christian organizations, the Office of Human Rights and conservative French

political parties. Some of the groups invited Roberto Armijo, a Salvadoran professor at the University of Paris who heads the Front office, to speak.

"The groups appeal for funds for our operation," said Mr. Sigal. "We also show our films on Salvador."

'No Contact' With Russia

The Frontists sell their newspaper El Salvador Libre at four francs (80 cents) and ask for contributions on Sundays in open food markets around Paris, appealing for "one franc for one day for one refugee."

Communists have given money to the movement "but not the party as such," he added. "And we have no contact with the Soviet Union. We do have contacts with the European Parliament and the French parliament."

He said the Revolutionary Front in recent months has opened offices across Europe, in Belgium, Spain, the Netherlands, Italy, Britain, West Germany, Switzerland, Austria and Sweden.

Mr. Sigal and Prof. Armijo said at a recent press conference that the Front now favors negotiation with El Salvador's military regime rather than participating in elections. Front members would be executed if they returned home and "we have no guarantee the army would respect the results if we did win," the Front officials added.

Pentagon Official Sees 'Protestant Angst' At Root of European Anti-War Movement

(Continued from Page 1)

tween "Protestant Northern Europe," which has been the scene of mass demonstrations against the NATO deployment, and the "Catholic South," where, he said, support for the new weapons is solid. The difference, he said, is that the Protestants are suffering from angst — a gloomy, often neurotic, feeling of anxiety or depression.

"I refer to it as Protestant angst because when you look at Catholic Europe, when you look at Portugal and Spain and Italy, when you look at Greece and Turkey — which are not Catholic, but they're not Protestant either — you find a very different attitude, a much greater awareness of the danger of military imbalance, a greater willingness to make sacrifices for defense."

'A Dividing Line'

Mr. Perle's remarks last Friday were made two days before Greek Premier Andreas Papandreu announced his government's program, which includes the withdrawal of U.S. bases and NATO nuclear weapons from Greece.

"There really is a dividing line, and France is a remarkable place with a Socialist government but on the whole is a good deal more concerned about the military imbalance than Germany or the Netherlands or Scandinavia," Mr. Perle said.

"It's happening in Protestant Europe, and there's no question it's angst," Mr. Perle said. "It's a sense of fear and anxiety — troubled people, troubled governments, troubled coalitions. And it's happened before and it will happen again, and I think it's a phase that they will go through, and we will have to go through it, holding their hand."

He said, however, that "there are some signs now that the Catholic Church is beginning to get involved along lines of what we've seen in the Protestant churches" and that "it could become Catholic angst."

Mr. Perle discounted European concern about the spiraling arms race. "There are no troops dying on battlefields in Europe or, for that matter, anywhere else that Europe is involved," he said.

Mr. Perle was interviewed on the eve of last Saturday's demonstration by more than 300,000 people in the Netherlands against nuclear weapons in Europe, and he was particularly bitter about that

country's leadership catering to popular sentiment.

"It may not be evident to enough of the electorate of the Netherlands that we can't provide the security in Europe in the absence of military weapons, but it is evident to us," Mr. Perle said. "If we submit to the judgments of coalition governments that include parties in which it is irresponsible to recognize that fact, and adjust our policies to their present inclinations, I think that would be a big mistake."

Be Patient, China Tells Italy Fiancee

PEKING — An Italian professor in Shanghai said Thursday that Chinese authorities had told him to be patient about the release of his Chinese fiancee, who has been detained since last week.

Francois Cardo, 30, said he had spoken with authorities in Shanghai about the detention of Song Xiao Ling, 23, a drama student there. He said the charges against her had not been made known, but that authorities had told him the case was China's internal affair. "They told me to be patient," he said.

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A Haitian alien sits in the door of a plane taking him and 124 others from Florida to Puerto Rico. Moments later he jumped out and tried to flee, but was seized and put back on the plane.

20 Haitians Flee From Camp in U.S.

MIAMI — Twenty Haitian men escaped from a holding camp, apparently upset over the transfer earlier of 125 of their countrymen from the overcrowded Krome Avenue detention center near Miami to a camp at Fort Allen, Puerto Rico.

The men, who bolted past a camp guard Wednesday night and fled into the Everglades, remained free Thursday. The alligator-infested swamps were being patrolled by air and foot.

Immigration and Naturalization Service officials disclosed Wednesday that at least 60 of the nearly 900 Haitians lodged at Krome had escaped this month and that 15 had been recaptured.

After Surviving Somoza, Newspaper Is Again Threatened

By Alan Riding
New York Times Service

MANAGUA — When the Sandinistas' final offensive began in June, 1979, one of the first actions of the National Guard was to turn its guns on La Prensa, the newspaper that had long symbolized opposition to the Somoza family dynasty.

The building went up in flames, but the daily was not destroyed. By mid-July, Gen. Anastasio Somoza had been overthrown by the Sandinistas and, within weeks, La Prensa was back on the streets, edited in a wooden warehouse in Managua and printed 50 miles away in Leon.

Now, 28 months after the revolution, La Prensa has once again become a symbol, but this time of conservative opposition to the leftist Sandinista regime. And, because of its pugnaciousness, it is threatened with permanent closure.

"La Prensa's responsibility is to inform of many things that people would not otherwise know about because of growing state control over the information media," said Pedro Joaquin Chamorro, the paper's 30-year-old editor.

"The government can close us whenever it wants to, but we're going to continue defending the ideals we fought for yesterday and today," Mr. Chamorro said. "The dictatorship has changed, but this one is better organized, it has better international connections and it makes better use of propaganda and rhetoric."

Leftist Accusations
The Sandinistas, on the other hand, accuse La Prensa of campaigning "obsessively" against the revolution and with publishing frequently erroneous articles that cause alarm and encourage opposition.

"We are in favor of freedom of the press but against lies and deceit," said Tomas Borge Martinez, the interior minister and one of nine top Sandinista commanders. "The New York Times can say what it wants to, but it doesn't

threaten the state. Here we are so small, with such a vulnerable economy, that La Prensa can endanger the stability of the revolution with its lies."

The repeated suspensions of La Prensa — four times for two days and once for three days — have provoked alarm among liberals abroad who have supported the Nicaraguan revolution because its leaders promised to respect political pluralism.

Behind the controversy is a confrontation between two fundamentally different concepts of press freedom: La Prensa believes it has a right to publish anything it pleases, while the government argues that it should exercise "social responsibility." In recent weeks, La Prensa maintains, it has avoided sanctions through self-

Plotting in Office
The murdered editor's brother, Xavier, took over the paper, some reporters secretly joined the Sandinista National Liberation Front and general strikes against the dictatorship were plotted in its offices.

After the revolution, many people associated with La Prensa joined the government, including Mr. Chamorro's widow, Violeta Barrios de Chamorro, who was named to the governing junta, and his youngest son, Carlos Fernando, who was appointed editor of the official Sandinista newspaper, Barricada.

Within months, though, conservative resistance to the leftward swing of the revolution generated tensions not only in La Prensa but also in the Chamorro family. Last year, Mrs. Chamorro resigned from the junta and, coincidentally, a group of pro-Sandinista reporters on La Prensa blocked publication for one month in protest at its growing opposition to the regime.

As a result of this clash, Xavier Chamorro led a walkout of the majority of reporters and founded a new pro-government daily, Nuevo

Diario, while his nephew, Pedro Joaquin, took over as editor of La Prensa.

During the past 20 months, La Prensa's policy has been one of constant questioning of the regime, publishing the complaints of business and political opposition groups, adopting pro-U.S. and anti-Soviet positions on international affairs and campaigning openly on its editorial page against Marxist-Leninism and totalitarianism.

Big Circulation
Although the Sandinistas effectively control both television stations, the two other newspapers and all but two radio stations, the fact that La Prensa remains the daily with the largest circulation — 70,000 copies a day compared with

40,000 for Nuevo Diario and 35,000 for Barricada — is a constant source of irritation and frustration to them.

"It's like smoking," Mr. Borge said. "People read La Prensa out of bad habit. La Prensa reflects the backwardness of a country that is accustomed to yellow journalism."

But while Sandinista commanders have frequently denounced La Prensa as "counterrevolutionary," the items that prompted this summer's suspensions of editorial opinion but rather news reports that were considered to have violated the Law on Communications Media.

The law is broad and vague. For example, it bans liquor and cigarette advertising, and it forbids the use of women, national symbols and such religious holidays as Christmas for commercial purposes. But it also forbids the use of news organizations to threaten "internal security," "national defense" and "economic stability."

The suspensions of La Prensa were motivated by articles that the authorities said were malicious, including a joke directed against the memory of Carlos Fonseca Amador, the founder of the Sandinista National Liberation Movement, and a hostile interview with an exiled businessman whom the regime accused of tax evasion.

Pedro Joaquin Chamorro concedes that La Prensa has made mistakes, but he attributes these to lack of experience and professionalism rather than ill will. "The reference to Carlos Fonseca slipped by us," he said. "It was not intentional."

After the latest closure of La Prensa on Oct. 1, Mr. Chamorro said he was warned directly by a Sandinista commander that "La Prensa continued with its policy of confrontation with the revolution, the revolution would have to close it down."

Early this month, though, another commander, Daniel Ortega Saavedra, who is coordinator of the ruling junta, insisted that there were no plans to close La Prensa.

Mexico Will Tell Nicaragua of U.S. Concerns

By Barbara Crosscut
New York Times Service

WASHINGTON — The State Department says Mexico intends to raise with the Sandinista government in Managua the "shared concerns" of Mexico and the United States about the political situation in Nicaragua.

The State Department's comments Wednesday came after a 24-hour visit to Mexico City by Secretary of State Alexander M. Haig Jr. during which he met with President Jose Lopez Portillo, Foreign Minister Jorge Castañeda and Miguel de la Madrid Hurtado, the governing party's candidate in next year's presidential elections.

The statement, issued Wednesday by Dean Fischer, the State Department spokesman, hailed as "unprecedented" the advancement of Mexican-U.S. relations during the last year.

On the subject of Central America, Mr. Fischer said the two nations had the same "basic outlook and objectives, although there are degrees of difference on tactical approaches."

The Reagan administration, which says the Sandinista government is heading toward Marxist totalitarianism, has been reported to be planning for the possibility of military action against Nicaragua.

Mr. Reagan said Nov. 16 that the United States had no plans for putting U.S. soldiers in combat "anywhere in the world." But Mr. Haig, in testimony to the House Foreign Affairs Committee two days later, said he would not rule out a naval blockade of Nicaragua.

The United States has been particularly concerned by what the administration describes as a substantial buildup in Nicaragua's military forces. The State Department has said that the Nicaragua

congress on missing persons. "This is a hidden crime, there are no records kept, many relatives of disappeared persons do not speak out for fear for a long time," said the Rev. Juan Vives Suria, a Roman Catholic priest who organized the conference. "But we estimate that the total is around 90,000 persons." Father Vives is president of the Caracas-based Latin American Foundation for Human Rights and Social Development.

Relatives of missing persons and representatives of church groups, the United Nations, the International Red Cross and Amnesty International met at a Caracas high school for the second Latin Ameri-

can congress on missing persons. "This is a hidden crime, there are no records kept, many relatives of disappeared persons do not speak out for fear for a long time," said the Rev. Juan Vives Suria, a Roman Catholic priest who organized the conference. "But we estimate that the total is around 90,000 persons." Father Vives is president of the Caracas-based Latin American Foundation for Human Rights and Social Development.

Trials Proposed on Missing Latins
United Press International
CARACAS — An international conference has proposed trials of government officials allegedly responsible for the disappearance of an estimated 90,000 people in Latin America.

Relatives of missing persons and representatives of church groups, the United Nations, the International Red Cross and Amnesty International met at a Caracas high school for the second Latin Ameri-

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Philippines Catholics Caught in Tug-of-War With Regime, Rebels

By William Branigin
Washington Post Service

MANILA — As the opposition to President Ferdinand E. Marcos grows steadily more radical, the Roman Catholic Church in the Philippines is coming under pressure from different sides.

In addition to divisions on several issues between church and state, some activist priests and nuns appear to be growing more openly sympathetic to the Communist New People's Army guerrillas and more critical of what they regard as a church leadership that is too conservative. While this activism is often welcome among the poor, some Catholics resent it as excessive meddling in politics.

Also at issue is the role of foreign clergies, especially U.S. missionaries from the Maryknoll order, whose activism has been especially controversial.

While the Catholic Church has no official role in affairs of state, its views are important because of its influence among the nearly 50 million people. About 83 percent of the population — including Mr. Marcos — is Catholic, making the Philippines the only predominantly Catholic country in Asia.

Under the Marcos administration, the church has generally taken an opposition role on several issues. Its leaders have spoken out against restrictions on press freedom, human rights abuses, exploitation of workers by large corporations and construction of a nuclear power plant in Betan.

In what was seen as a gesture to the church, the government recently permitted two Maryknoll priests to return to the Philippines after having barred them on charges of sedition, inciting strikes and encouraging Filipinos to join the New People's Army.

Church leaders denied the allegations, saying the priests might have been too aggressive in pressing charges of military abuses and unfair labor practices, but that their actions were not seditious.

A government official in the region said the government separates the ones who are engaged in ecclesiastical work and those who are engaged in subversion.

One of the latest church-state disputes stems from plans by the U.S. Agency for International Development to phase out \$10 million a year in food aid. Mr. Marcos has said he was not worried about the reductions because the aid was not needed.

Cardinal Jaime L. Sin, archbishop of Manila and the Philippines' leading Roman Catholic prelate, said Mr. Marcos' "grandiose announcement" could endanger food aid totaling \$100 million a year to a country in which an estimated half of the population lives below the poverty line.

Cardinal Sin said the church was following a policy of "critical collaboration" with the government. He cited human rights abuses and increased "militarization" as focal points of church criticism, attributing "some little improvement" on human rights this year partly to the church's activities.

Cardinal Sin emphasized that the church was "not interested in the system of government."

"The church has to guide our people, and in guiding them it has to creep into politics occasionally," he said. "But the church will never engage in partisan politics."

Cardinal Sin conceded that some clerics had joined the New People's Army.

"I can't understand why a priest becomes a Marxist," he said. "If he becomes a Marxist, he is no longer playing the role of a priest. It happens when a priest continues to listen to the despair of the people. It's like brainwashing."

Some other church leaders feel that their institution has not done all it could in defending the poor, thus allowing the leftists to move into the forefront of the struggle.

"The Communists have gotten all the good press by saying they've done all this for the poor," said the Rev. James Ferry, Maryknoll's tough-talking regional superior.

"There has been for a long time here an attempt to silence the Catholic Church," he said. "The church is the only opposition to a lot of the injustice that exists today."

Father Ferry added: "We will be misunderstood as friends of the Communists. It's a risk. But I know of no Maryknoll priest who

supports what the Communists want either politically or militarily.

Some seem to come close. They speak sympathetically of the goals of what they call "the movement." Some Filipino clerics clearly identify with the revolutionaries without actually having joined the New People's Army. They argue that this is necessary to maintain Catholic influence with the guerrillas, many of whom are not Communists, in case a revolution ever comes about.

A Maryknoll priest on Mindanao, where the Communists have been most active, said there was an attempt under way "to organize a group of church people involved in the movement" by reviving an organization called Christians for National Liberation. The government has said the group was allied with the Communist Party.

There are Christians in the movement who are Marxist in some sense or other," the priest said.

He conceded, however, that he sometimes suspected the Communists of manipulating the church.

The priest, who has contacts with the New People's Army, said "it's an open question how vicious" the Communists would be if they came to power. "We could see something like Vietnamese re-education camps" for government and military officials. In addition, he said, "I think there would definitely be people targeted for execution."

Financier Acquitted of Hong Kong Fraud Over Allegedly Fictitious Sales of Shares

HONG KONG — A district court judge Thursday acquitted international financier Amos W. Dawe of four counts of fraud involving 92 million Hong Kong dollars (\$15.3 million).

Mr. Dawe, 46, was alleged to have carried out fictitious sales of 92 million shares of his company, Mosbert Holdings Ltd., to the De-

velopment and Commercial Bank of Hong Kong.

The ruling clears Mr. Dawe, a native of Singapore, of all charges. Judge Gordon Crudden took three hours to reach a decision, saying he was not "satisfied beyond a reasonable doubt" of Mr. Dawe's guilt.

Company Crashed

The judge added that during the month-long hearing, court testimony showed there were no irregularities in Mr. Dawe's bank accounts.

At an earlier hearing, prosecutor Kenneth Richardson had said the financier's alleged fraud was discovered in 1975, when Mosbert Holdings crashed in Hong Kong, resulting in a loss of \$50 million to shareholders.

"Many overseas companies turned out to be paper companies with no financial status or purpose," Mr. Richardson argued. However, he said the trial was concerned only with the alleged fictitious sale of 91,878,000 shares of Mosbert Holdings to the Development and Commercial Bank.

The prosecution had claimed that no cash changed hands be-



BLOWN DOWN — A Filipino farmer stands in what remained of his house after a typhoon, designated Irma, swept across the southeastern Philippines this week. Waves generated by the storm smashed a coastal town in Cansines province, killing 136 of the 158 recorded fatalities.

U.S. Actor Jack Albertson Is Dead at 74; Was the Star of 'The Subject Was Roses'

NEW YORK — Jack Albertson, 74, star of such hit plays as "The Subject Was Roses" and "The Sunshine Boys" and more recently the crotchety paragon owner in the television series "Chico and the Man," died of cancer Wednesday in Los Angeles.

Mr. Albertson won a Tony award for his role as the angry husband and father in the 1964 stage production of Frank D. Gilroy's "The Subject Was Roses" and an Oscar for the same role in the 1968 film version of the Pulitzer Prize-winning play. He won three Emmys, two for "Chico and the Man" in the 1974-75 and 1975-76 seasons, and the other for a guest appearance on "Cheer" in 1975.

Born in Malden, Mass., Mr. Albertson grew up in nearby Lynn. "We were really poor," he recalled in a 1976 interview. "My father took a powder, and my mother had to work in a shoe factory to support my sister and me."

He hustled pool and shipped out on a freighter before starting in show business as a dancer in vaudeville. He became a straight man for such comics as Milton Berle, Bert Lahr and Bert Wheeler, and formed a partnership with Phil Silvers.

Mr. Albertson appeared in more than a dozen movies, including "The Harder They Fall" (1956), "Man of a Thousand Faces" (1957), "Teacher's Pet" (1958),

"Lover Come Back" (1962), "Period of Adjustment" (1962), "How to Murder Your Wife" (1965), "The Film-Flam Man" (1967) and "The Poseidon Adventure" (1972).

George Kung-chao Yeh
NEW YORK (NYT) — George Kung-chao Yeh, 77, former foreign

OBITUARIES

T. James Tumulty
NEW YORK (WP) — T. James Tumulty, 68, who served one term in the 1950s as a Democratic congressman from New Jersey, died Monday.

Regino Sainz de la Maza
MADRID (AP) — Regino Sainz de la Maza, 85, a Spanish guitarist, died Thursday. Mr. He was regard-

ed one of Spain's four leading guitarists, along with Andrés Segovia, Narciso Yepes and Segundo Pastor.



Jack Albertson

Special Deduction For Congressmen Vetoed by Reagan

WASHINGTON — A plan to assure many members of Congress special, unlimited tax deductions for the cost of owning or renting a home in the Washington area went through Congress "in substantial secrecy" last week, a private research group charged Wednesday.

The proposal, part of an appropriations bill, subsequently was killed when President Reagan vetoed the bill in a dispute with Congress over cuts in government spending.

But the special tax provisions, criticized as a "back-door pay raise" for members of Congress, may be revived for passage separately in the House and Senate later this year, according to the research group, Tax Analysts of Arlington, Va.

Under current law, members of Congress may deduct from taxable income all expenses in connection with the operation of a second home or apartment in Washington on the theory that these outlays are required business expenses. But another part of the tax code forbids such deductions if members of the taxpayer's family live there for more than two weeks each month.

The measure that almost was enacted into law would have removed that limitation, allowing members of Congress who have their families in Washington to deduct all the costs of depreciation, repairs and other living expenses.

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Police, Students Fight At Puerto Rico School

SAN JUAN, Puerto Rico — Police firing tear gas and swinging clubs fought with 3,000 striking students at Puerto Rico's largest university. The police arrested at least four persons, officials said.

Nearly a quarter of the 23,000 students at the University of Puerto Rico went on strike Sept. 21 protesting a tripling of tuition fees. Police said students were blocking traffic Wednesday and were asked to leave. Student leaders said they asked permission to finish a meeting but that the police refused to wait and attacked immediately.

Turkish Leader in Karachi

KARACHI, Pakistan — Gen. Kenan Evren, Turkey's head of state, arrived in Karachi from Lahore on Thursday on the last leg of a five-day official visit to Pakistan. He is scheduled to return home Friday.

Guatemala Says U.S. Nuns Found

GUATEMALA CITY — Two U.S. Roman Catholic nuns, a Guatemalan priest and a seminary student who disappeared on a short automobile trip in western Guatemala last week have turned up again, a Guatemalan church spokesman said.

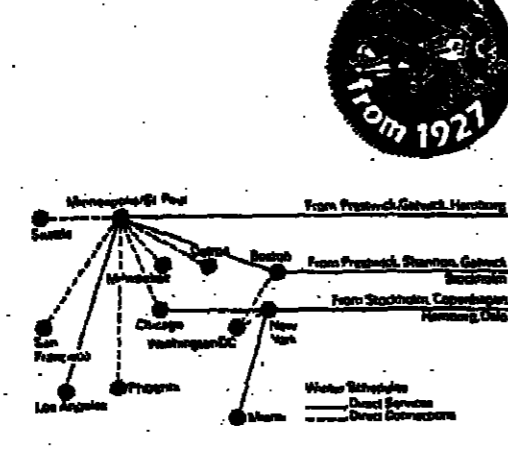
A U.S. Embassy spokesman said Wednesday that previous reports that the nuns had been kidnapped apparently were false. All four showed up Tuesday in San Felipe, in Chimaltenango province, where government troops on Tuesday completed a week-long offensive against leftist guerrillas.

Authorities said also that extremists unleashed new attacks around Guatemala Wednesday, killing 10 persons.

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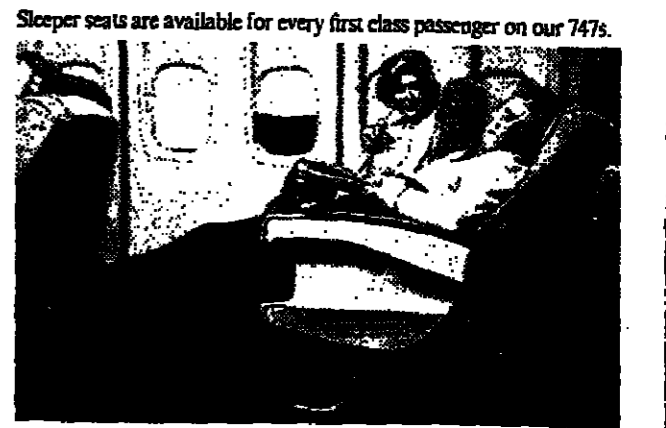
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Schmidt Spoke Firmly

Leonid Brezhnev, the Soviet president, has been in Bonn telling the West Germans, and the world, how unfair and one-sided President Reagan's missile reduction proposals are. That was to be expected, and there is no special reason to be upset by it. If the job of making Europe more secure were so easy, it would have been accomplished long ago. The negotiation — that is, the struggle for the mind of Europe — is on.

What occupies us more today is West German Chancellor Helmut Schmidt. What he said was likely of much importance in determining the eventual outcome of the negotiation. Mr. Schmidt has been regarded as a suspicious character in some corners of the Reagan administration, and certain officials have allowed themselves to speculate semi-publicly on whether he has the strength and conviction to stand up to his party's left wing. All this is, we think, unsympathetic, misleading and quite unfair.

In greeting Mr. Brezhnev, Helmut Schmidt very clearly stated that the West German position is the "common position of the West"; that from parity in the 1970s the Soviet Union undertook an SS-20 buildup that "has a direct impact on our security interests and

gives us ground for great concern"; that since 1978 he had repeatedly explained to the Kremlin "the political consequences that would arise if the Soviet Union did not abandon its medium-range armament efforts upsetting the military balance in Europe and threatening us and other European countries"; and that "if, in spite of all [negotiating] efforts, no agreement should be reached, my country will honor its commitment" to permit deployment of new countering missiles. Mr. Schmidt went on to say that President Reagan is entering the Geneva negotiations "with the serious will to reduce the nuclear threat."

Well, you might say, Mr. Schmidt could hardly have said less: It is for his country's benefit most of all that the United States is going through this exercise. But politicians under stress often find reasons and ways to say less. Helmut Schmidt has set, for all the European allies, a standard of reasoned, principled firmness in support of the negotiation being conducted, for all the European allies, by the United States. This does not ensure the success of the negotiation. But on no other basis can it possibly succeed.

THE WASHINGTON POST.

Better to Make Haste . . .

President Reagan has a throbbing fiscal headache — the rising costs of Medicaid and Medicare. Like his predecessor, he is right to try to contain their growth. But the haste reforms that his administration proposes imperil the health of needy people with no other place to turn.

Secretary Schweiker of Health and Human Services is planning change at a reckless pace. Some of his ideas, such as having patients share more of the cost, warrant exploration. Others, such as block grants to the states for long-term care, could deny care cruelly. If the reforms are to be humane, careful experiments should come first.

A generation ago, what little medical care was available to the poor was paid by state and local governments and individual hospitals. In assuming most of that burden, and picking up the cost of medical care for the elderly as well, Washington's Great Society programs performed a historic act of compassion. But the cost has grown enormously, far faster than inflation.

Richard Schweiker would now clamp a lid on Washington's share of the cost of long-term care under Medicaid by giving the states a lump sum. He also hopes to further tighten eligibility for both programs and to

reduce Medicare reimbursement rates for physicians and hospitals.

To stimulate competition among medical providers for both Medicare and Medicaid, he favors vouchers that patients could use to pay physicians, to purchase insurance or to enroll in prepaid health maintenance organizations. And he would require Medicaid patients to share some costs.

The idea of block grants violates the fundamental premise that the poor are entitled to federally supported health care. The states need flexibility in financing different forms of treatment, but neither they nor patients should be abandoned by Washington.

The attempt to encourage competition is worthwhile, if it does not threaten quality. Vouchers could permit private insurers to skim off customers who tend to be healthy, leaving the chronically ill unable to meet unexpected costs. And health maintenance programs, while cheaper than other forms of care, are not widely available. A sliding scale of modest fees seems worth exploring.

But before plunging ahead with budget-cutting reforms, the administration should learn more about their effects and about ways to encourage alternatives.

THE NEW YORK TIMES.

. . . Slowly on Health Cuts

Over the course of almost two decades, the United States added steadily to its stock of government services and protections. Life thus became more agreeable, or at least more tolerable, for many people. But as the volume of activities grew and the taxes needed to support them mounted, so did the feeling among taxpayers that too much was being spent on things they would rather not buy.

The process of dismantling this vast social network has now begun, and the nation will be going through an interesting if painful period. As the budget cuts trickle down to communities, neighborhoods and families, and as more cuts are studied and proposed, each government program and regulation is being put on the auction block. What did this particular service or rule accomplish? How much was it really worth?

Some values have been easily established. The nation let the president know in no uncertain terms that it places a high value on basic Social Security benefits and is willing to pay for them. Other such tests are now being run at the state level.

Virginia last month tried out a Medicaid cutback plan that would have forced several hundred aged and disabled persons to leave nursing homes. That didn't sell well, so now the state is floating a plan to stop aid to needy people hospitalized for more than 12 days and to disabled and blind children.

Judging public reaction to most cuts will

not be that easy. Federal money flows through many community agencies — from libraries and day care centers to dog pounds — and its effects are diffuse. A recent Wall Street Journal article reported that welfare cuts in Hartford, Conn., have been associated with increasing child abuse, domestic violence, abandonment of children to foster homes and a good bit of plain old despair.

The administration has not shown much interest in following up on the results of its budget policy. Most domestic research and evaluation has been cut sharply, including some important data series. That is too bad because without continuing surveys and controlled studies it will be difficult to filter out the effects of budget cuts from the frequently similar effects of high and rising unemployment. It will also be hard to gauge the impact of an improving economy when it comes.

Careful reporting of local happenings and reactions can be a useful guide for assessing the worth of government programs. When all the budget cutting is done, it is not likely that the nation would choose to reconstruct the entire edifice of federal aid exactly as it was before. There was simply too much duplication of effort, too much waste, too little attention to local needs and too much red tape. But it is likely that some lost benefits will be judged worth paying for and that better ways of providing them will be found.

THE WASHINGTON POST.

Grandmother's House

Just 361 years after a ship named the Mayflower dropped anchor, its landing place has been declared no place in which to spend one's golden years. High taxes, high fuel bills, not enough shopping malls — Massachusetts came in last on the list of best states to retire to, prepared by Chase Econometrics, a subsidiary of Chase Manhattan. Among the close contenders for this dubious distinction were the other five New England states.

New England, then, is no country for old men. Or old women. But surely the grandmother over the river and through the woods to whose house one went was a resident of, say, Vermont (No. 45) and not Utah (No. 1).

And surely Robert Frost would not have been as stirred by Florida (No. 9) as he was by New Hampshire (No. 42). And although California (No. 17) has much to offer retirees, it can't produce a Maine (No. 47) lobster, unless it's frozen.

Frozen is, of course, what a lot of New Englanders are a lot of the time. But come the thaw, well, as Mark Twain said, "In the spring I have counted one hundred and thirty-six different kinds of weather inside of twenty-four hours." Other states may have more heat and hot water, but New England has the myths, the fish and the poetry.

THE NEW YORK TIMES.

Nov. 27: From Our Pages of 75 and 50 Years Ago

1906: Shah Seriously Ill

TEHRAN — The illness of the shah has taken a most serious turn, and he is not likely to live much longer. Muzaffer-ed-Din, who was born in 1853, is a son of Shah Nassr-ed-Din, who was assassinated in 1896. Muzaffer, the preferred second son, was governor of Azarbaijan, while his elder brother, a dangerous rival, was governor of Isfahan. In Persia the shah is absolute ruler within his dominions and master of the lives and goods of all his subjects. The whole revenues of the country being at his disposal, the recent s verve has been able to amass large private fortunes. But that of the present occupant is said to amount only to £2 million, most of it in diamonds.

1931: Manchurian Uncertainties

WASHINGTON — Complete occupation of Manchuria by Japanese troops has been approved by Emperor Hirohito, according to information reaching the Chinese Foreign Office at Nanking, and transmitted to the Chinese legation here. It is informed that scores of Japanese airplanes, several train loads of ammunition and hundreds of Japanese secret agents have arrived in Mukden. Despite these developments, State Department officials believe a way has been opened for peace in Manchuria by Paris discussions of the crisis. Japan has virtually assured the League of its readiness to adhere to the settlement program mapped in the council sittings, though Chinese willingness appears less definite.

Brezhnev's Visit: A German Milestone on East-West Road

By Flora Lewis

It is the most important result of Leonid Brezhnev's trip to Bonn has been West Germany's full emergence on the world political scene. Now it is Bonn, not Paris, which receives special messages from Moscow and relays on them to Washington.

The days when France posed as "the bridge" between East and West are finished. This is partly because the West Germans are in front and partly because President Francois Mitterrand is not interested in that Gaullist game.

Mitterrand has domestic as well as foreign policy reasons, just as the Gaullists did. They maintained power by tacit collusion with the French Communists to try to squeeze out political forces between them, and Moscow supported the effort. With Communists now in the French government, it helps Mitterrand to tilt toward the United States.

West German Chancellor Helmut Schmidt has some domestic reasons, too, for becoming what he calls the "interpreter" between Moscow and Washington. He is under tough pressure from the left wing of his Social Democratic Party and he must mollify the peace movement.

But that isn't the main point. There might be a difference in tone, but there probably wouldn't be a substantial change in Bonn's position if the opposition Christian Democrats came to power.

A remark from left-wing Socialist deputy Karl-Heinz Hansen, who detests Schmidt, illustrates the impact of their new role for West Germans. "Schmidt talks to the big shots. We are somebody in the world again. That helps our sense of self," Hansen said grudgingly.

The distance Soviet-German relations have come should be measured against a decade ago, when the standard "Moscow epithet for Bonn was capital of 'Nazi reactionists.' The Cold War began with the dispute over Germany, and its partition remains the dividing line of Europe.

"Partner"

Now Brezhnev speaks of the Federal Republic as "a partner for peace" and mentions the "terrible sufferings of both our peoples in World War II" without a word of blame for Germans. He asked Schmidt to use his influence to modify the U.S. stand in coming arms negotiations.

It was the virtually complete break in Soviet-American relations after the invasion of Afghanistan, deepened by Reagan administration rhetoric, which opened the way for Schmidt. He became the activist between East and West, first persuading Moscow to agree to talks on Euro-Atlantic, then persuading Washington to come up with a dramatic bargaining offer.

Schmidt's entourage insists that in "explaining" each side's position to the other, he remains firmly committed to West Germany's special ties to the United States and that he told Brezhnev so. Nor is Bonn worried that it might lose its new diplomatic sheen if direct and regular exchanges between Moscow and Washington are restored.

Paris was sorely upset and cried "global condominium" when their bridge was bypassed by President Nixon's accords with Moscow. "The French were interested in political aesthetics, in prestige, in their power position. We are interested in political engineering, and that's quite different," said a close Schmidt aide. "We have a serious security problem to face, and it causes internal tensions."

Exporter

Certainly, the West Germans made great gains from détente and they would like it restored. They are by far the biggest Western exporters to the Soviets. Their trade multiplied by six from 1970, after the Bonn-Moscow treaty, to 1980. They just signed for a pipe-for-natural-gas deal that will run into the next century, assuring just up to \$15 billion in West German exports in the next few years and probably \$180 billion worth of Soviet gas for West-

ern Europe by the year 2000. All of this gives Bonn an enhanced political weight that is provoking some old fears, particularly in France.

There are whispers about the danger of a new Rapallo, a reference to the 1922 German-Soviet treaty that helped Lenin strengthen his state and then helped the loser in World War I rearm secretly.

Moscow's dream, no doubt, would be to detach the Federal Republic from the West. But there is no likelihood it would be prepared to pay the price of permitting a neutralized East Germany to satisfy Bonn's dream of at least a German confederation, if not a reunified German state. Moscow's nightmare would be losing control of East Germany.

These are only far distant possibilities. For now, Bonn is convinced, the Soviets are pleased with their German relations. In the East, they rely on a loyal Communist state that is the bulwark of their defense system and helps contain Poland. West of the Elbe, the Federal Republic has become a reliable economic partner and a line to Washington.

Nobody can foresee where this will lead. But it must be recognized as a major milestone, perhaps a watershed, in East-West relations and European history. Germany is back in center stage, no longer an object but an actor.

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Changed Times in America: Pale Oranges in Flatbush

By Jeremiah J. Mahoney

From New Hampshire to California

By Mary Mills Presaby

LOS ANGELES — He approaches my desk, a big man, clean, one brown eye slightly larger than the other. "I'm sorry, but your brother you," he whispers, his voice revealing New England origins. He sits next to my desk, and I note that he clamps his jaws solidly together to keep his chin from trembling. His story is typical of the "working poor" who fit neither the welfare stereotype nor the government's "safety net."

Harry James Graham, 57, grew up in North Stratford, Vt., a town so small that its mail was delivered to Brunswick, Vt., its neighbor across the Connecticut River. Harry's father worked the logging camps, and when work was scarce he'd cut down trees, make pulp and sell the pulp for profit.

The seven Graham children worked the family's small farm with their parents — weeding, canning, tending the animals. In summer they would swim in the river. Folks would come from miles around to use the Grahams' "swimming hole," and Mr. Graham cleaned and painted an old chicken coop so that the visitors could change clothes in privacy. "We were a close family," Harry says softly. "Close and loving. Mother and Father never laid a finger on any of us."

When the Graham children graduated from high school, they sought work in Springfield, Mass., more than 200 miles away. Harry graduated on a Saturday (his class voted him most likely to become a politician, and gave him a wooden gavel), caught the Springfield bus on Sunday and found a job on Monday. It was at this first job that he learned to be a machinist.

"In those days you didn't ask if a job gave you mental satisfaction," Harry now says. "Times were different. To have a job was a privilege. To learn a trade was a blessing."

As a small boy Harry had dreamed of the long white beaches of California. At 18 he asked his mother if he could move west. She said no. The next year Harry took the bus to California and went to work as a tool cutter in a family-owned machine shop.

"Good to Me"

He stayed more than 30 years. As time passed, it worried Harry that that state offered no pensions and that it was not keeping up with the times. Precision instruments were becoming commonplace, and the shop could not always accommodate its customers. But Harry said nothing. "Those folks were good to me," he now says, "like family."

When Harry was in his 20s he also married a girl named Mary Ellen. She shared his fondness for the beach. ("The sea draws my troubles down and gives me peace," he says.) But Mary Ellen preferred the party side of beachgoing, the beer and pranks and loud music.

Harry and Mary Ellen never married. Harry spent his time working, listening to Kay Starr and the big bands on the radio, and walking by the sea. He was a loner, content within himself, content to be himself.

One evening in 1968 Harry was walking home early on a summer night when he was approached by three young men who demanded his wallet. When they discovered that it contained only \$2, they knocked him to the ground and kicked his face in, breaking both jaws, his nose and his cheekbones. Harry spent three months in the hospital. A few months after he returned to work, his employer went out of business.

The attack had left Harry with occasional double vision. No longer able to work as a machinist, he went to work as a school custodian, a job made available through the federal Comprehensive Employment and Training Act (CETA). Harry enjoyed the work, and after a number of years he passed the test to become a perma-

nent employee. Then Proposition 13 passed, and the school board appraised all those hoping for permanent employment that none would be forthcoming. Then CETA funds were withdrawn. Harry was unemployed.

He walked the streets looking for work. He exhausted his unemployment benefits and his savings. He received an eviction notice. In desperation, he applied for welfare. Six weeks later, having received no welfare aid, he approached his city councilman. Harry is now on welfare.

In return for two 40-hour weeks a month as a county hospital custodian, he receives a check for \$228, food stamps, Medi-Cal coverage and a bus pass. "I don't like to use the food stamps," he says. His unblinking eyes focus on a spot above my head. "I know what folks think of welfare people."

The writer works on the staff of a Los Angeles city councilman.



Pale Oranges in Flatbush

CARMEL, N.Y. — In Brooklyn during the Great Depression, when our parents had trouble putting enough food on the table, they somehow managed to give their hungry kids a feast on Thanksgiving. But before we ate our fill, we kids went begging. It was a Thanksgiving tradition.

In those days kids could not afford costumes. We boys and girls alike found our costumes in Father's closet, and dressed as fagars or as tramps — we thought they were not the same thing.

Our attire consisted of Father's discarded suit coat (today we say "suit jacket"), trousers and fedora, and we waited our turn for a fitting. Mother's skillful use of large safety pins brought the cuffs of Father's heavy wool trousers up to a Charlie Chaplin cut, and the coat sleeves were pinned up and under, making our arms bulge alarmingly and suggesting that we had contracted some exotic disease. To hold the fedora on our heads, strips cut from yesterday's Sun or World-Telegram were stuffed in the lining to achieve a fit that often made small heads ache; then the brim was shaped and curved in the best rakish John Barrymore manner. The last phase of our costume was burnt cork — blackface. Why we did that I can't say, but maybe it was because cork cost next to nothing.

Once out the door in Flatbush, we went from house to house with a shrillness that would shrieve even the toughest third-grade teacher. "Anything for Thanksgiving? Anything for Thanksgiving?" was shouted until someone came to the door. No one escaped us.

We were given a handful of mixed nuts, a few pennies or a small, pale orange that could be mistaken for an amber lemon. Many of us from that sad era look back with a certainty that had we been handed sinful Hershey bars or fat Baby Ruths, our spirit would have been corrupted by indulgence and World War II would have been lost.

Our large, brown paper bags had little chance to fill — we ate on the run. Oranges were peeled with dexterity. Walnuts, pecans and almonds were cracked underfoot and bits extracted from the ugly pile and eaten voraciously. Pennies were taken from our bags and placed in one of the cavernous suit pockets, and as we ran along the street and heard their comforting voices, we thought about how we would spend our riches: three rolls and a pound of ham, two boxes of chocolate-covered Graham crackers, a cigar box full of liverwurst. We laughed and shouted and ran up and down the streets like so many deranged gnomes.

There was one sad note to the morning's activities. We had to be

Cranberries From a Political Bag

By Stephen Steinberg

NEW YORK — In the tradition of Thanksgiving, President Reagan, proclaiming the holiday, exhorted Americans to count their national blessings and extend a helping hand to the "less fortunate." He put it this way: "Long before there was a government welfare program, this spirit of voluntary giving was ingrained in the American character."

At a time when national policy is committed to increasing the gap between rich and poor, his pronouncement rang hollow.

This is not the first time that Thanksgiving has been exploited for political ends. Throughout American history it has served political purposes, especially during periods of domestic instability.

The Pilgrims celebrated the first Thanksgiving in 1621. It did not become enshrined as a national holiday until 1789, when it was resurrected to unite a divided nation. Almost as soon as George Washington was inaugurated, he issued the first Thanksgiving Proclamation, setting aside the last Thursday in November as a time to thank the "Beneficent Author" for "the peaceable and rational manner in which we have been enabled to establish Constitutions of Government for our safety and happiness."

The political overtones of the first official Thanksgiving were not missed by those who were ambi-

valent about the fledgling union. Rep. Thomas Tudor Tucker of South Carolina objected: The people "may not be inclined to return thanks for a Constitution until they have experienced that it promotes their safety and happiness."

During the first half of the 19th century, Thanksgiving was celebrated sporadically. Andrew Jack-

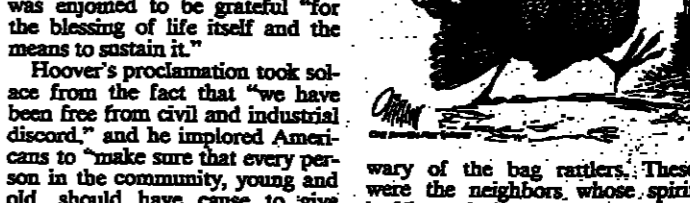
New York doled out food to the needy, and churches mustered support for the war. In his Thanksgiving sermon, Rabbi M.S. Isaacs of the Wooster Street Synagogue expounded on the need to re-establish "the National Supremacy," and prayed for a "speedy restoration to peace and prosperity."

It was during the Great Depression of the 1930s that the political dimensions of Thanksgiving were most pronounced. Herbert Hoover found soothing certain parallels between the hardships and privations endured by the Pilgrims and the economic adversities of the moment. Having little else to be thankful for in 1930, the nation was enjoined to be grateful "for the blessing of life itself and the means to sustain it."

Hoover's proclamation took solace from the fact that "we have been free from civil and industrial discord," and he implored Americans to "make sure that every person in the community, young and old, should have cause to give thanks for our institutions and for the neighborly sentiment of our people." Once again, the Thanksgiving spirit was used to buffer political institutions from those whose circumstances did not dispose them to celebrate the nation's beneficence.

In 1931, 200 athletes gathered in a hall near Grace Church in New York for what they proclaimed to be "the First Annual Blamegiving Service." A protest sermon explained the purpose of Blamegiving: "While others are expressing their gratefulness for the good things of the past year, there can be no harm in making a similar list of things that were not so good. Things are still not so good for the 29.3 million Americans who live below the poverty line."

The writer is professor of sociology in the urban studies department of Queens College.



Letters

Writer Replies

In Stanley Meisler's article "Writers Still Frighten Tyrants" (HT, Oct. 22), I am referred to in a distorted way. Mr. Meisler was sitting opposite me at the opening dinner of the writers' congress in Toronto. Since he noticed a reaction of mine to Mr. Hammarberg's speech, he could very easily have asked me about it if he considered it so interesting that it later turns up in his article.

BRITT ARENANDER.
Stockholm.

Dressed Peacocks

With 500 million people going to sleep every night having to worry about enough food to see them through the next day, and with humanity shuddering under the threat of atomization, you should hang your heads in shame for devoting a full quarter-page of expensive newsprint to "Menswear: an On-the-Cuff Guide" (HT, Nov. 20). Sad to say, not all the world's peacocks are in zoos.

DAVID FELDMAN.
Monte Carlo.

Letters intended for publication should be addressed "Letters to the Editor," and must include the writer's address and signature. Priority is given to letters that are brief and do not request anonymity. Letters may be abridged. We are unable to acknowledge all letters, but value the views of readers who submit them.

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The Power of Positive Singing

By Robert Palmer
New York Times Service

NEW YORK — Marianne Faithfull seemed the picture of youth and innocence when she made her U.S. television debut on "Shindig" in 1964, singing her first record and first hit, the pretty, wistful ballad "As Tears Go By."



Marianne Faithfull: A compelling confessional lyricist.

And appearances were not entirely deceiving. She had attended a convent school and was only 18 years old when Andrew Oldham, then the manager of the Rolling Stones, met her at a party. The Stones' Mick Jagger and Keith Richards had written "As Tears Go By," but they had not recorded it; the song was too sweet to jibe with their bad-boy image. It was perfect for Faithfull.

During the next few years, a well-publicized love affair between Faithfull and Jagger served notice that the convent schoolgirl had grown up. And during the late '60s she became heavily involved in hard drugs; her lyrics to the Rolling Stones song "Sister Morphine" were apparently written from bitter experience.

She was not heard on records for some time, and then, last year, she made an unexpected and triumphant comeback with a new album, "Broken English." A scathing denunciation of male sexual attitudes called "Why D'Ya Do It?" that was adapted from a poem by Heathcote Williams, a song about terrorism in Europe ("Broken English"), with lyrics by Faithfull, and most of the other tunes on the record were abrasively personal but unambiguously gripping. They also established Faithfull as a compelling confessional lyricist, an intelligent interpreter of other writers' songs, and a pop singer with the taste and style to find appropriate collaborators and accompanying musicians.

"Dangerous Acquaintances" The recently released "Dangerous Acquaintances" (Island records), Faithfull's follow-up to "Broken English," suggests that she has continued to grow. The earlier album's principal subjects were sexual and social violence, pain and endurance, and a number of Faithfull's newer lyrics, though by no means all of them, are more positive.

ken English" were croaking raps), and the overall effect is rather bland — much blander than her lyrics and her stance. Most of her new lyrics are not as compelling as the lyrics on the earlier album, either. One of the most difficult tasks confessional songwriters face is making their positive songs as involving as songs written in frustration or pain. And writing positive songs that deal in generalities and platitudes, as a number of Faithfull's new songs do, is not the answer.

Faithfull was in New York recently, and she proved as outspoken, and as honest, as "Broken English" and the best songs on "Dangerous Acquaintances." When she was asked whether her much-publicized drug problems had saddled her with an image that was difficult to overcome, she smiled wryly. "At least people can't say that I'm out of date because I used to wear love beads and give people flowers," she said. "I was never a flower child."

sound I want in a recording studio. So I have to trust my producer, who does hear things differently than I do."

The punk-rock explosion that rocked England in the late '70s left a number of rock artists whose styles were shaped in the '60s wondering which way to turn. The punks played hard, fast and raw, and their lyrics didn't pull punches. But while a number of punk bands achieved commercial success in England, U.S. radio programmers and record buyers continued to favor a more polished sound and tended to reject anything that smacked of punk. One wondered how Faithfull had reacted when she first heard punk rock.

"I loved it," she said, smiling again. "I just loved it when the Sex Pistols and all those punk bands came along, they were so much like what rock 'n' roll was for me when I first got involved in it. They weren't that different than what the Rolling Stones were like in the beginning, really. I don't think I would have had the audacity to come out of hiding and make 'Broken English' if the punk thing hadn't happened. But now that I've made another album, and have a regular band to work with, I can see I'm going to be able to keep on writing songs and making records. I never really had any say in the way those records I made in the '60s sounded, and I'm still finding my way. But I am finding it."

Hysterectomy: The Facts About a Very Common Operation

By Jane E. Brody
New York Times Service

NEW YORK — Both in myth and medicine the womb, when not engaged in childbearing, has been seen as the source of many female woes, ranging from emotional disorders to cancer. Thus it is hardly surprising that the advent of relatively safe surgical and anesthetic techniques brought with it a great increase in the rate of hysterectomy — surgical removal of the uterus, or womb, usually after a woman has completed childbearing.

At the current rate, more than half the women in this country will undergo a hysterectomy by age 65. In the 1970s hysterectomy, as the most common operation performed in the United States, nearly always by female surgeons, became a cause célèbre among feminists, health-care economists and consumer groups, who viewed much of the surgery as a means of lining the doctor's pocket rather than protecting the patient.

They pointed out that the hysterectomy rate varies widely; it is twice as high in the South as in the Northeast; it is higher if doctors are paid a fee for the operation than if it is done under a prepaid health plan; it is higher if only one doctor decides on surgery than if a consultant's opinion must be sought. Such studies have suggested that about a third of hysterectomies are unnecessary and involve the removal of a healthy uterus.

Myths and Horror Tales

Amid such controversy, a woman whose uterus is being considered for removal may rightly wonder whether the operation is needed. Her thinking is likely to be further confused by a host of prevalent myths (for example, that hysterectomy causes mental illness or ends a woman's sex life) and horror tales of neighbors and friends. Although some women undergo needless surgery, others may avoid a hysterectomy that is clearly to their benefit.

Since the vast majority of hysterectomies are elective (non-emergency) operations, the prospective patient usually has an opportunity to weigh the advantages and disadvantages and make a decision based on the reasons for surgery and what it entails, the circumstances of her life and the dictates of her body. What may be a minor annoyance for one woman could be a major disability for another. In some cases hysterectomy is clearly a life-saving or health-preserving procedure. In others it can add significantly to the quality of a woman's life. Here are the facts.

Hysterectomy, including those called total or complete, involves removal of the uterus and cervix, that portion of the uterus that extends into the vaginal cavity. If a woman is still menstruating, her periods will stop and she will be unable to conceive and bear a

child. But her ovaries will continue to produce hormones until menopause, which may occur a few years earlier than it otherwise would have.

Surgical Menopause

Sometimes the ovaries and Fallopian tubes are removed along with the uterus in an operation called hysterectomy with salpingo-oophorectomy. In a premenopausal woman it results in surgical menopause: both her periods and ovarian hormone production cease abruptly. She is usually given hormone treatments to alleviate the symptoms of menopause.

Depending on the condition being treated, the operation may be done from inside the vagina (leaving no visible scar) or through an abdominal incision, usually a horizontal cut made just above the pubic hairline. The abdominal approach, which enables the surgeon to examine nearby organs, is the method used when the uterus is greatly enlarged or cancer is involved.

As with all surgery, hysterectomy has hazards. The death rate is one to two per 1,000 patients, and as many as half the patients experience one or another operative complication, among them reaction to anesthesia, hemorrhage, urinary-tract infection, abdominal adhesions, injury to the bladder, rectum or pelvic blood vessels, and life-threatening blood clots.

The surgery commonly involves a week to 10 days in the hospital and three to five weeks recovery at home before the patient can resume usual activities. However, strenuous activity is usually curtailed for several months and some women experience prolonged fatigue and loss of energy for up to a year.

Doctors agree that hysterectomy is needed for the following conditions: cancer or precancer of the uterus, tubes or ovary; incapacitating, irreversible inflammatory disease; large benign tumors (fibroids) that cause pressure or bleed excessively; uterine bleeding that does not respond to dilation and curettage or to hormone therapy; severe endometriosis (misplaced growth or uterine tissue); a uterus severely damaged by childbirth or abortion, and prolapse of the uterus, in which it drops into or through the vagina and causes pain or pressure.

There is a gray area in which medical opinions differ. This usually involves a woman near or past menopause who has extreme, abnormal bleeding or pain but no apparent uterine abnormality. Some regard hysterectomy as the preferred alternative to frequent examinations, dilation and curettage or prolonged hormone treatment.

Finally, there is an area of great conflict: removal of an otherwise normal uterus as a means of con-

traption or to prevent the later development of medical problems, including cancer. Tubal ligation and other methods of female sterilization are far safer than hysterectomy, though it is widely acknowledged by gynecologists that in many Roman Catholic hospitals, hysterectomy is performed to skirt the church's prohibition on voluntary sterilization.

Most experts say the surgery cannot be justified as a cancer preventive except possibly in patients past childbearing age known to face a high risk of developing uterine cancer. For a woman past age 40 or 45 who is undergoing an abdominal hysterectomy for other reasons, the surgeon may also recommend removal of the ovaries, since 1 percent of women over 40 develop ovarian cancer, a disease that is hard to detect and cure.

Controversy has raged for years over the emotional effects of hysterectomy, with some experts reporting prolonged depression in more than a third of the cases and others saying that 90 percent are happier after the procedure. To a large extent a woman's reaction may be influenced by her expectations as well as by her emotional health and life circumstances be-

fore surgery. If a hysterectomy is done on a woman who would have liked to become pregnant, depression is a natural reaction. Similarly, if a woman expects, inappropriately, that a hysterectomy will resolve marital conflicts, she is likely to be disappointed.

One study found that two-thirds of postoperative depressions occurred in patients who had emotional problems prior to surgery. The hysterectomy triggered a recurrence, but so might have any other traumatic event.

Patient Reaction

When a hysterectomy is performed to get rid of life-inhibiting symptoms, such as painful intercourse, frequent and potentially embarrassing bleeding, or loss of bladder control from a prolapsed uterus, the patient is likely to feel much better afterward. Emotional considerations aside, a hysterectomy should not impair a woman's enjoyment of or response to sexual activity, although the quality of sexual response may change in those for whom cervical and uterine movement enhanced orgasm.

In one widely quoted study, by Dr. D. H. Richards of Oxford,

England, 36 percent of 200 women who had had hysterectomies were treated for postoperative depression, and among premenopausal patients 55 percent required such treatment. Dr. Richards subsequently described a posthysterectomy syndrome of depression, headache, dizziness, insomnia and extreme tiredness occurring in up to 70 percent of patients.

However, in another study, Dr. Bruce C. Richards, a Colorado physician, asked 340 women, most of whom had had hysterectomies for reasons related to the quality of their lives, how they felt. Eighty percent returned the questionnaire: 91 percent were pleased; 85 percent said they would encourage a friend to have the surgery; 78 percent said they felt better and only 4 percent said they felt worse. In another study, 60 premenopausal patients were tested before and up to three years after their surgery. No evidence was found of depression or sexual difficulties related to the hysterectomy. Most showed improved mood and vigor and no change in sexual activity as compared with their situations before surgery. The few who experienced postoperative depression were depressed at the outset.

Housing Dreams in West Germany

By John Tagliabue
New York Times Service

COLOGNE — Germans may have invented the word wanderlust, but mobility has never been much sought after by many of them. It is not so much a distaste for travel — Germans spend more per capita on tourism each year than anyone else — but a nearly sensual relationship with their four walls, whether in a Munich high-rise, a Bonn town house or a one-family home on the outskirts of Cologne.

It seems paradoxical in a society where someone who changes positions twice in his life is considered a job-hopper, that two-thirds of the population should live in rental quarters. But the Germans' penchant for rented homes was based on necessity. According to Eberhard Reichstein, a board member of Deutsche Zentralbodenkredit, a Cologne mortgage bank, "World War II destroyed 40 percent of all buildings and led to their replacement with apartments."

In the last 20 years, however, there has been an exodus from apartments into neat row houses on the edge of the cities. "Klein, aber mein," the Germans say — "Small, but mine."

The demand for the row houses kept the construction industry growing for 20 years at double the rate of industrial production. But with a scarce land leading to increased prices, with high wages and a shortage of skilled labor pushing up labor costs, and with interest rates at record levels, the first eight months of this year saw the number of building permits for one-family homes drop 30 percent from a year earlier.

The cost of a new house is already prohibitive for the average German. Herbert Stupp's new house in Rodenkirchen, on the outskirts of Cologne, cost him the equivalent of \$217,000, double what experts say a similar house in the United States would cost.

Stupp, 49, a Cologne magistrate, and his wife, Gertrud, a part-time music teacher, began saving for their house in 1975. They joined a *Bausparkasse*, not unlike a savings-and-loan association.

In six years, the Stupps saved roughly \$50,000. The *Bausparkasse* then lent them \$130,000. Since the bank paid only 2.5-percent interest on the savings, the

Stupps pay only 4.5 percent on the loan. They borrowed another \$20,000 from a commercial bank at 6 1/2 percent. The remainder came from an inheritance.

The Stupps now pay the equivalent of \$920 a month in payments, more than a third of their take-home pay. "We became ascetics," Mrs. Stupp said.

Though housing developers and prefabricated models abound, the Stupps, like many Germans, contracted with an architect, who designed and supervised the building. What they got for the \$11,000 architect's fee (based on a percentage of the total price) was hardly an average house.

It is a three-sided atrium house with the living room, dining room, kitchen and reception hall at ground level and three bedrooms, a family room, utility rooms and a garage below.

Few German architects, however, put that much imagination into their designs, so some Germans are choosing to buy and renovate older city homes.

Jürgen Vietz, 38, a lawyer, and Erhard Kordes, 44, an architect, hoped to renovate an 1890s town house in Bonn that they paid \$127,000 for, in an older street of Victorian gingerbread homes for upper-middle-class families built at the turn of the century.

The idea was to save the facade, protected by city preservation statutes, and replace the space behind it with two modern apartments for their families. But the space proved too small. Instead, the partners paid \$217,000 for the house next door and are making ambitious plans for eight apartments.

Kordes said it would cost slightly more than \$1 million, financed by savings, low-interest loans and the sale of the other six apartments. Ideas like their project are being imitated in Bonn and elsewhere.

"Housing aid does not only favor the rich," said Robert Scholl, a spokesman for the Bonn Housing Ministry. "It helps people with average income, too, who are willing to save up to 50 percent of real income to finance a house. That has to be rewarded."

The government is planning to increase housing deductions, and to try to hold down costs by urging cities to free more land for building and by softening stringent building codes.

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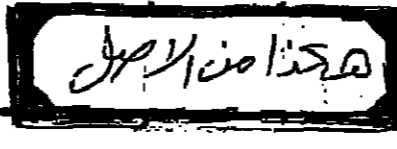
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At Olympic, the international airline of Greece, we've taken a leaf out of our ancestors' book. Like them, we believe that life was meant to be better. So on Olympic flights, your clients will find the seats a little more comfortable than usual. The flight smoother and quieter than they'd expect. And the food fit for heroes. (Who knows more what heroes like to eat than the Greeks?) Have you offered them the Olympic experience recently? It really is a more civilised way to fly.

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A more civilised way to fly.



BUSINESS NEWS BRIEFS

Michelin Sets Temporary Layoffs for 23,000

PARIS — Michelin said Thursday it plans five weeks of layoffs for 23,000 of its 50,000 workers in the first four months of 1982. It said dates for the layoffs have not been set yet. The layoffs are necessary because car sales have not improved from current low levels, which have resulted in excessive stocks of tires in spite of a 12 percent reduction in production this year, the company said. Production of both car and heavy-duty tires will be affected, it said.

French Firms Sign New Caracas Metro Pact

PARIS — A French consortium will sign a contract Dec. 3 worth about \$160 million for the third stage of development of the Caracas metro, a spokesman for the consortium leader said Thursday. The spokesman for Ste. Générale de Techniques et d'Etudes, a member of the Empain-Schneider group, said the work, to be completed in 1986, will involve extending Line One of the city's system. The same consortium signed a second-stage contract earlier this month worth about \$300 million to build and equip a second metro line in Caracas by 1986.

It is also working on the first stage, due to be completed in 1983, covering construction of Line One.

Nestlé Appoints Maucher Managing Director

VEVEY, Switzerland — The board of directors of Nestlé has appointed Helmut Maucher, former head of the group's operations in West Germany, as managing director, the company announced Thursday. Mr. Maucher, a West German, replaces Arthur Firer, who is due to be proposed for the post of non-executive chairman at the annual general meeting next spring.

Nestlé announced its intention to make these top staff changes last April shortly after announcing that the group's net profit fell to 683 million Swiss francs (\$386 million at current exchange rates) in 1980 from 816 million in 1979.

Texas International, Continental End Battle

LOS ANGELES — Texas International Airlines' long and bitter battle for control of the much larger Continental Airlines officially ended Wednesday with an agreement to normalize relations.

Under the agreement, three representatives of Texas International's parent, Texas Air Corp., were elected to Continental's board of directors, expanding it to 15 members.

Texas Air, which recently increased its holdings in Continental to 50.9 percent from 50.3 percent, won government approval to control Continental in mid-October, after an eight-month takeover fight. A spokesman said Texas Air may further increase its holdings in Continental. The airlines will not merge, but are to coordinate routes and schedules.

Security Pacific to Provide Some Brokerage Services

By Robert A. Bennett
New York Times Service

NEW YORK — The Security Pacific National Bank has announced that its 600 branches in California will begin buying and selling securities for customers of the bank.

The service, to begin in February, will be made possible by an agreement between Security Pacific, the ninth-largest U.S. bank, and Fidelity Brokerage Services, one of the largest discount brokerage firms in the United States. The bank declined to disclose details of the arrangement.

On Wednesday, a day before the Securities announcement, the BankAmerica Corp. stunned the banking community by announcing that it planned to acquire Charles Schwab & Co., the largest U.S. discount brokerage firm. BankAmerica, which owns the Bank of America, plans to offer services similar to those of Security Pacific through Schwab, and eventually through its own branches.

Security Pacific's program, unlike BankAmerica's, will not operate through a subsidiary, but will be a division of the bank itself. The new division would be known as Security Pacific Brokerage Services.

Officials of Security Pacific said that the plan would not violate the Glass-Steagall Act, which prohibits banks from participating in many aspects of the securities business. The officials said the law only bars them from underwriting and distributing corporate securities, not from executing buy and sell orders from the public.

A difference between the Security Pacific and BankAmerica proposals is that BankAmerica would indirectly own a seat on a stock exchange through its ownership of Schwab, while Security Pacific would work through an agreement with Fidelity, which would remain an independent company. For this reason, Security Pacific, unlike BankAmerica, said it does not think it needed approval of federal regulatory agencies.

Orders would be taken by personnel in each of Security Pacific's offices, and the actual trades would be made through Fidelity Brokerage, which is a subsidiary of Fidelity Management and Research of Boston.

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Given that volume, it was inevitable that the federal government would be called in to regulate the kiwi fruit situation, and it has.

Growers in California have asked the Agriculture Department to establish kiwi fruit standards so that the industry will have a "uniform basis for trading." Those proposed standards would be: U.S. Fancy, U.S. No. 1, U.S. No. 2, and U.S. No. 3.

A "fancy" kiwi fruit would have to be "mature, not soft, overripe or shriveled, clean and well formed." U.S. No. 1 would only have to be "fairly well formed."

PARIS — Ambroise Roux, president of Cie. Générale d'Electricité, has told the CGE board that he will resign as soon as the French nationalization bill becomes law.

Mr. Roux, 60, has headed CGE for 11 years and is vice-president of the French employers association.

A CGE statement said Mr. Roux's attachment to capitalism and to a liberal economy would not allow him to assume new responsibilities in the company after it has been nationalized.

Beginning of End Seen For U.K.'s Long Slide

By Steven Rattner
New York Times Service

LONDON — Signs are growing, albeit slowly, that Britain's two-year-long economic decline has ended.

According to a mix of the statistics favored by economists, ranging from housing starts to engineering orders, the output of manufactured items began to recover six months ago and the economy as a whole started growing over the summer.

On Tuesday, for example, the government reported better-than-expected figures on unemployment, which showed little change for the third consecutive month and continued just below the psychological barrier of 3 million. Last week, the government surprised economists by reporting a small rise in the output of goods and services — 0.3 percent.

"Output is picking up, short-time working is hitting fewer factories and the number of factories is higher," said Michael Allison, an employment minister. "I am very optimistic."

Such euphoria is not widely shared, however. Unemployment, though now steady, has risen to 11.4 percent, seasonally adjusted, and the country's industrial output has fallen below 1973 levels. Company profits have virtually disappeared and thousands of companies have closed. And few economists expect the recovery to be anything but excruciatingly slow.

"For the economy as a whole, we've bottomed out," said Gavyn Davies, chief economist at Simon & Coates, a stock brokerage. "The question is whether we will see any growth in the next six months."

Growth of just 1 percent next year would almost certainly mean continuing increases in joblessness, as the labor force expands and as companies continue to improve efficiency. By some estimates, 3-percent growth would be needed just to keep unemployment from rising further.

"It will indeed take a very long time, I believe, before we can get back to the very much lower level of figures to which we have been accustomed," Prime Minister Margaret Thatcher told the House of Commons on Tuesday.

Next week, the Treasury plans to announce a revised economic forecast for the current year. Perhaps symbolic of the good economic news is the fact that the forecast of a 2-percent contraction in the domestic economy this year is not expected to be changed.

Some private economists have been talking about a 3-percent decline. But at the same time, the government has been gradually easing its effort to tighten the economic screws still further. For next year, the Treasury is expected to accept a \$9.5-billion increase in government spending above the earlier projection of \$209 billion — without raising taxes, as happened last year. And interest rates have been allowed to decline modestly in the past month.

[The British Cabinet has agreed to increase public spending in the 1982-83 financial year by between \$4 billion and \$5 billion more than planned, according to official sources quoted by Reuters.]

The easing of austerity comes despite the fact that signs of progress on the inflation front have seemed less strong. Consumer prices, which increased by 16 percent in 1980, rose at an annual rate of only 10.8 percent in the second quarter of this year. But since then, in part because of the weakness of the pound on foreign-exchange markets, inflation has risen above 11 percent.

The price applies to an agreement signed last Friday under which the Soviet gas export agency, Soyuzgazexport, will supply Ruhrgas with 10.5 billion cubic meters of gas annually for 25 years, they said. The agreement sets prices in Deutsche marks and not dollars, the customary medium for international energy deals, a Ruhrgas spokesman said.

Industry sources said the price Soyuzgazexport accepted was considerably below what Norway is seeking for gas from its Statfjord field for delivery beginning in 1986. A Norwegian Embassy spokesman said the original Statfjord price of \$5.50 per million BTUs has already risen to \$5.80, with further adjustments likely.

The base price is designed to safeguard the investment the Soviet Union has in the project, officials said. In 1984, when the gas is due to start arriving, the price would rise to about \$5.70 at the delivery point on the West German border with Czechoslovakia, they said.

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SmithKline

9-months, in millions except per share net

Revenue	1,480	1,300
Profit	272	226
Per Share	4.08	3.42
Divisions contributing to 1980 revenue		
Human health care	80%	
Medical instruments	12%	
Animal health care	8%	

Hoechst to Increase Capital With 1-for-10 Rights Issue

From Agency Dispatches

FRANKFURT — Hoechst will increase its capital by 228 million Deutsche marks by means of a 1-for-10 rights issue at 95 DM a share, a company spokesman said Thursday.

The increase will raise stock capital to 2.35 billion DM. The spokesman said payments on the rights issue are due Jan. 27.

Hoechst said it plans capital spending in 1982 of about 2 billion DM, compared with a planned 2.16 billion DM this year.

The chemical giant also said fourth-quarter business is running in line with the third quarter, strengthening the company's expectation it will be able to pay an unchanged 7 DM a share dividend for 1981.

Hoechst said a 14-percent drop in third-quarter world group pretax income was caused by falling profitability in some Western European operations, particularly in the plastics fields.

Third-quarter world group turnover was around the same level as in the second quarter, with the summer seasonal weakness not as pronounced as normal.

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SmithKline in \$1-Billion Offer To Acquire Biotechnology Firm

By Ralph Vartabedian
Los Angeles Times Service

LOS ANGELES — SmithKline, a Philadelphia-based pharmaceutical manufacturer, has agreed to acquire Beckman Instruments of Fullerton, Calif., in a tax-free exchange of stock worth nearly \$1 billion.

The preliminary agreement, approved by Beckman's board Tuesday night and SmithKline's board Wednesday afternoon, calls for the exchange of each Beckman share for 0.7535 share of SmithKline. The ratio, using Wednesday's New York Stock Exchange close, means Beckman shares would be worth \$48.41 each in SmithKline stock. Beckman immediately gained \$8.50 to close at \$43 a share; SmithKline lost \$3.125 to close at \$64.50 a share.

Under the agreement, SmithKline would issue 15.5 million new shares with a total value of \$996 million at Wednesday's prices, analysts said.

The deal will bring to SmithKline broad-based expertise in biotechnology developed at Beckman, analysts said.

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"It is strategically one of the most dynamic mergers to take place in this industry in the last five, or 10 years," said Richard Stover, an analyst for E.F. Hutton. "It provides SmithKline with a position in the diagnostics field, both instrumentation and chemicals, that eclipses any of its major competitors."

It also provides SmithKline a much-needed diversification at a time when it was gaining a reputation as a one-product company because of the rapid growth in sales of its Tagamet, an ulcer treatment.

Both Beckman and SmithKline officials refused additional comment on the agreement. A SmithKline spokeswoman said a definitive agreement must still be worked

out, filings must be made with the Federal Trade Commission and Justice Department and a proxy statement must be issued. The merger then must be approved by stockholders of each company.

Beckman has developed and manufactures 50 synthetic proteins using biological engineering techniques and instruments it developed. Analysts say the company is a leader in the biotechnology field.

Beckman will benefit significantly from SmithKline's financial and marketing resources, analysts said.

Beckman had earnings of \$36.7 million on revenue of \$618 million for the year ended June 30. In addition to its biotechnology work, Beckman makes a broad line of industrial and scientific instruments and electronic components.

Beckman founder and chairman Arnold Beckman, 81, has agreed to vote for approval of the acquisition, assuming a definitive agreement is worked out, the company said. Mr. Beckman owns 18 percent of the outstanding stock, which would be worth \$179.3 million at the current price of SmithKline stock.

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DAI-ICHI KANGYO BANK
DKB ECONOMIC REPORT
 November 1981: Vol. 10 No. 11

Japanese economy remains on path of moderate expansion, but depends overly on exports

The current state of the Japanese economy is characterized by 1) basically stable prices, 2) an improving balance of payments position, and 3) moderate expansion of business. On the surface, the economy is in good shape, but on closer look, it is not necessarily all that good. The business recovery is not only too dependent on external demand but also imbalanced among industries and as to scale of enterprises. Even though business is expected to continue to recover more or less automatically, the pace looks very likely to remain slow.

The world economy is staying in the doldrums. The U.S. economy registered a drop of 0.6 per cent in real GNP in the third quarter, and the majority view is that the outlook for the fourth quarter is hardly encouraging, owing to such negative factors as slumping housing starts under the impact of high interest rates and slowdown of growth of personal income due to inflation.

Some European economies are showing signs of hitting the lowest point, but this will not necessarily lead to an appreciable recovery of business as tight credit is not likely to be eased in order to defend their currencies against the dollar while fiscal spendings still need to be restrained.

Moderate expansion for the Japanese economy
 Despite the slump in the world economy, the Japanese economy has been following a path of moderate expansion since it turned upward in the spring of this year after a year-long slump.

This is borne out by the trend of real GNP growth in the past few quarters. GNP in constant 1975 prices grew by only 1.9 per cent in the last quarter of 1980, but the growth rate accelerated to 4.5 per cent in the first quarter and 5.1 per cent in the second quarter, 1981. As long as mining and manufacturing production is concerned, the economy is estimated to have kept expanding in the third quarter as well.

Problems in business recovery
 Despite the appearance of the Japanese economy of being in fairly good shape, the elements of the business recovery do not necessarily justify describing it as a really smooth one.

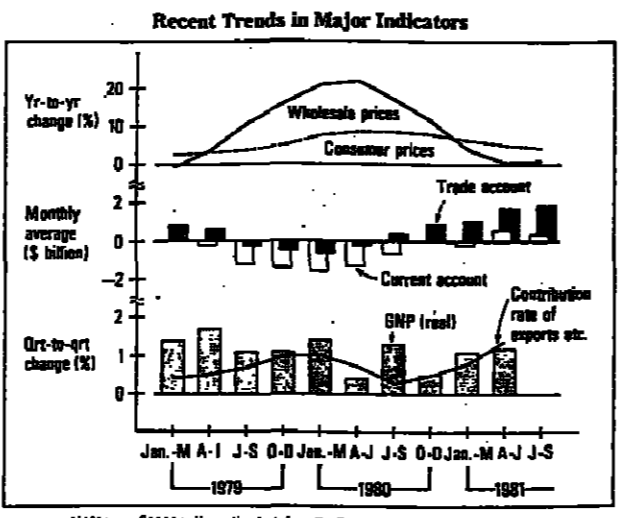
The first problem is that the current business recovery depends primarily on external demand. While exports continue strong, domestic demand, such as final private consumption, corporate investment and government expenditures, lacks vigor.

The second problem is that the recovery is uneven as to industry, size of enterprise and other respects. Among basic materials industries, some are severely depressed, and the environment surrounding smaller enterprises is quite rugged. Under such circumstances it is no wonder that corporate performances and employment situations are not fully robust.

Against such a background, the government recently decided the basic direction for economic management in the second half of fiscal 1981. Compared with comprehensive economic measures the government formulated from time to time in the past, the latest package is less emphatic about stimulating the economy and limits itself to measures intended for local and specific areas.

Such a character of the package owes itself to constraints on both monetary and fiscal fronts at a time when interest rates are high worldwide and budgetary deficits are mounting. Moreover, the business community admits that the state of the economy does not require comprehensive measures to stimulate it. What is in order seems to be medium and long-term structural policies aimed at industries suffering from depression for structural reasons.

Partly as a result of the change in the standard year for computation of the national income statistics, the government's real economic growth rate projection for fiscal 1981 was revised to 4.7 per cent on the fiscal 1975 standards from 5.3 per cent on the fiscal 1970 standards. Given the weakness of business recovery at the moment, it seems that considerable efforts are needed to achieve the projection.



Note: Seasonally adjusted for GNP and balance of payments. Source: Economic Planning Agency, etc.

Private consumption is key to business recovery

How business recovery will proceed in the future critically depends on the trend of private final consumption, which constitutes the largest portion of demand. Consumption expenditures by the nation's households in August grew by only 2.7 per cent in nominal terms, resulting in a 1.3 per cent drop after inflation, the third consecutive monthly drop from a year earlier level.

Behind this sluggishness are slow growth of household incomes and a sharp increase in tax and other public dues. Real disposable income as a result was down 3.7 per cent in August from the like 1980 month.

Private housing investment continues depressed. Housing starts in August decreased by 9.5 per cent from a year earlier. The likelihood is that they will not pick up in the foreseeable future because the people's financial ability to buy homes will not improve substantially.

Varying extent of corporate investment

Business capital investment is showing a varying extent of recovery from industry to industry and according to the size of enterprises.

Although plant and equipment expenditures, especially those by smaller enterprises, are slowing down in growth rate owing to a decline in operating rate and deterioration of corporate results, a pickup can be expected in investment by smaller enterprises in the future along with a moderate rise in personal consumption

expenditures. Orders for machinery, an indicator of the future level of capital investment, rose 3.2 per cent in July and 2.9 per cent in August from the preceding months.

Inventory adjustment is expected to be completed in the near future except for some structurally depressed industries.

Slowdown in growth of exports demand
 On the strength of ahead-of-schedule implementation of public works investment programs, fiscal spendings have so far served to provide a prop to the economy. Compared with a year before, they were up 9.2 per cent in the second quarter and 10.2 per cent in the third quarter.

While exports in dollar value remain at a high level, their growth rate is slowing. This is because rise in dollar prices of exports has been checked by stability of domestic prices and the impact of the decline of the yen since the year's beginning.

The rate of expansion of exports is expected to keep dropping in the months ahead because of escalating trade frictions arising from a sharp increase in Japan's exports and weakening of export drives on the strength of recovery of domestic demand.

All given, the Japanese economy will to some extent switch to a domestic demand-oriented pattern of growth from the present high dependence on external demand. The pace of its recovery, however, looks highly likely to remain slow.

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The next DKB monthly report will appear Dec. 22.

Data Filing Systems Grow in Importance

By Andrew Pollack
 New York Times Service

NEW YORK — Computer systems can store vast amounts of data. But, as with records kept on paper, merely putting something into a file cabinet is not enough. There must be a way to retrieve the information when it is needed.

That task is increasingly falling to special computer programs called data base management systems. Like any good file clerk, a data base management system sets up the electronic data bank files with necessary cross-references, stores the data and retrieves it when requested.

In addition to increased speed of retrieval over paper storage, an electronic data base makes it easier to keep information up to date. With paper storage, a company might have the same information in several places. A customer's address might be on a master mailing list and on the billing department's list of overdue accounts. If the customer moves, the address must be changed in several places. With electronic storage systems, a customer's address can be stored once and shared by everyone.

Such systems, sold for several years by computer companies and independent software companies, are growing in popularity. "When we started offering data base systems in 1974 and 1975, we had to justify why customers wanted them," said Robert Goldman, senior vice president of Collins Database Systems, which sells data management programs to run on International Business Machines computers. "Today people accept that they need them." Once used only on the largest computers, such systems are also being sold to run on minicomputers and even desktop microcomputers.

Data base management systems are also expected to be a central feature of the automated office of the future. An important use of the computer terminals that are landing on more and more desks is to allow office workers who need data to get it directly from the computer rather than ask a programmer to write a program to get it. Some office automation companies, such as Wang Laboratories and Data General, have recently announced systems with such capabilities.

One development that will help allow such retrieval of information

is the so-called relational data base concept. Most existing data base management systems organize data in a hierarchy resembling a family tree. A university data base, for instance, might be broken down into schools, with each school further broken down into departments and each department then broken down into faculty members.

The main drawback of most such systems, according to Jeffrey Ullman, a professor of computer science at Stanford University, is that to get the information, the user must tell the computer not what he wants, such as a list of the faculty members in the civil engineering department, but where in the tree to go. That means he must be familiar with the tree.

The relational structure was conceived in 1970 by an IBM scientist, E.F. Codd, but commercial products, including one introduced by IBM in January, are only now starting to appear. In a relational system, the data is stored in cross-referenced tables. The university data base might have one table listing schools and their departments and another table for faculty members, listing their departments and other characteristics.

With that kind of system, the user does not have to know how the data are stored. He can ask for the information in a language resembling English, and the computer will find the columns in the tables. Because of that ease of use, many experts see relational data bases as the wave of the future.

One drawback, however, is that to gain such ease of use the relational systems have tended to be slower than hierarchical ones.

Libyan Airlines To Buy 10 Planes From Airbus

PARIS — Libyan Arab Airlines will buy six A-300-B4-200 wide-bodied jet airliners and four A-310 from Airbus Industrie, Airbus officials said Thursday.

The first two A-300s will be delivered next June and the other aircraft will follow at the rate of two a year over the next five years.

The deal is part of a Libyan program to widen its domestic and international services.

Boredom Cure For Boardroom

Los Angeles Times Service

LOS ANGELES — A popular item for executives is the wristwatch calculator, which, in addition to telling time, enables one to compute everything from the Gross National Product to the week's grocery bill.

But if you happen into the boss's office and see him frantically punching buttons on his wristwatch, he might not be double-checking the company books, he might be playing "Firing Squad," "Missile Strike," "Alien Assault" or "Blast Away."

He might be wearing Game-Time, which combines a digital watch, four electronic games complete with sound effects and an electronic scorer in a wrist-worn unit not much larger than a standard digital watch.

Game-Time is the latest creation of Jay Smith, president of Smith Engineering, an electronic game think tank. It is being manufactured and marketed by General Consumer Electronics of Santa Monica, Calif.

A special feature for executives is a button that can silence the electronic beeps and booms so that no one will know what the boss is really doing.

COMPANY REPORTS

Revenue and profits, in millions, are in local currencies unless otherwise indicated.

Company	Year	1981	1980
Belgium	Revenue	92,000	75,000
	Profits	1,100	512
	Electronic Specialists		
Britain	Revenue	80.5	85.7
	Profits	9.8	10.2
	Inf'l Thomson Organization		
Japan	Revenue	285,850	271,020
	Profits	8,230	7,510
	Tokyo Gas		
West Germany	Revenue	25,770	23,720
	Profits	920	1,170
	Hoechst		
Australian Wheat to China	Revenue	144,000	72,000
	Profits	39,600	39,600
	MELBOURNE — The Australian Wheat Board has sold 1 million metric tons of wheat to China for shipment between February and June, 1982, it announced here Friday.		

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Algeria, ex-Pr. (air)	\$ 320.00	115.00	63.00	Luxembourg	L.Fr. 5,400.00	2,700.00	1,500.00
Africa, other (air)	\$ 320.00	165.00	92.00	Madagascar (air)	\$ 320.00	165.00	92.00
Algeria (air)	\$ 200.00	115.00	63.00	Malta (air)	\$ 220.00	115.00	63.00
Amman	Sch. 2,700.00	1,350.00	726.00	Mexico (air)	\$ 320.00	165.00	92.00
Belgium	B.Fr. 5,400.00	2,700.00	1,500.00	Morocco (air)	\$ 220.00	115.00	63.00
Bombay (air)	\$ 220.00	115.00	63.00	Netherlands	FL 406.00	203.00	112.00
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Finland (air)	F.M. 810.00	405.00	225.00	South America (air)	\$ 320.00	165.00	92.00
France	F.Fr. 720.00	360.00	198.00	Spain (air)	Ptas. 12,600.00	6,300.00	3,200.00
Germany	D.M. 360.00	180.00	100.00	Sweden (air)	S.Kr. 810.00	405.00	225.00
Greece (air)	Dr. 7,200.00	3,600.00	1,800.00	Switzerland	S.Fr. 320.00	160.00	90.00
Hungary (air)	\$ 220.00	115.00	63.00	Tanzania (air)	\$ 220.00	115.00	63.00
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Italy	Lire 144,000.00	72,000.00	39,600.00	Yugoslavia (air)	\$ 220.00	115.00	63.00
Jakarta (air)	\$ 320.00	165.00	92.00	Zaire (air)	\$ 320.00	165.00	92.00
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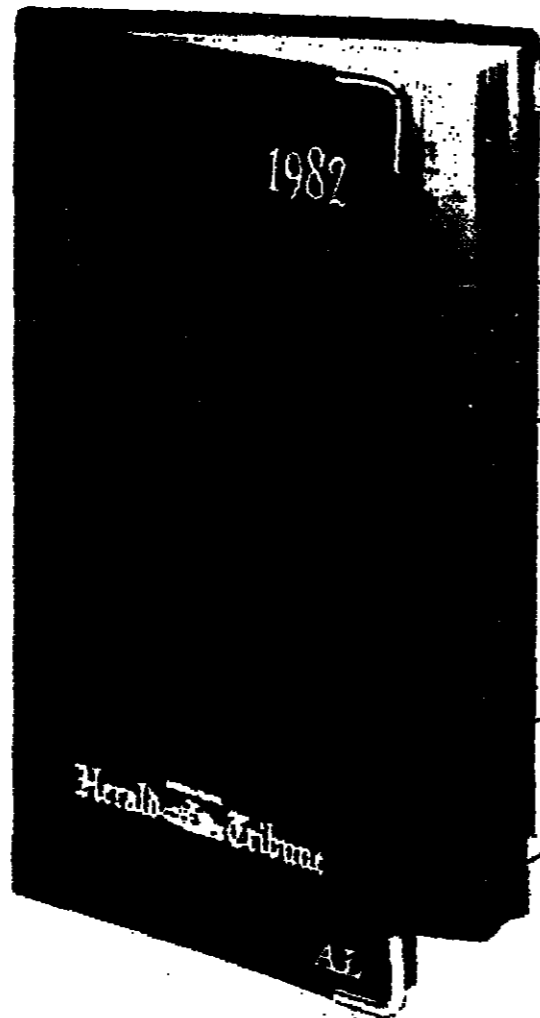
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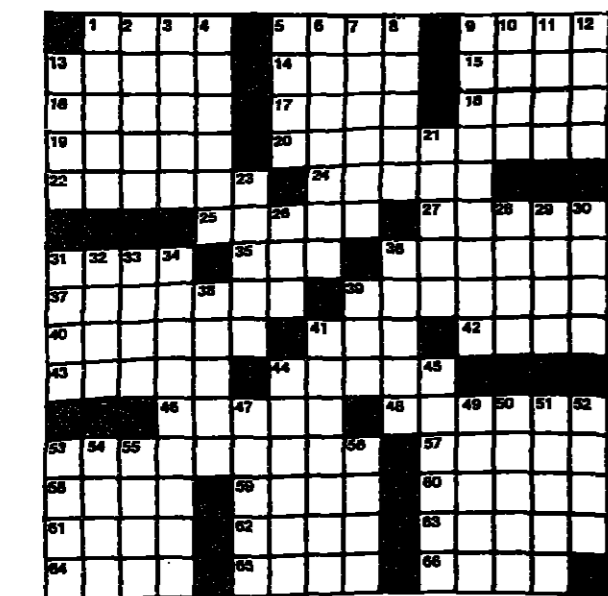
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ROSSWORD

By Eugene T. Malaska

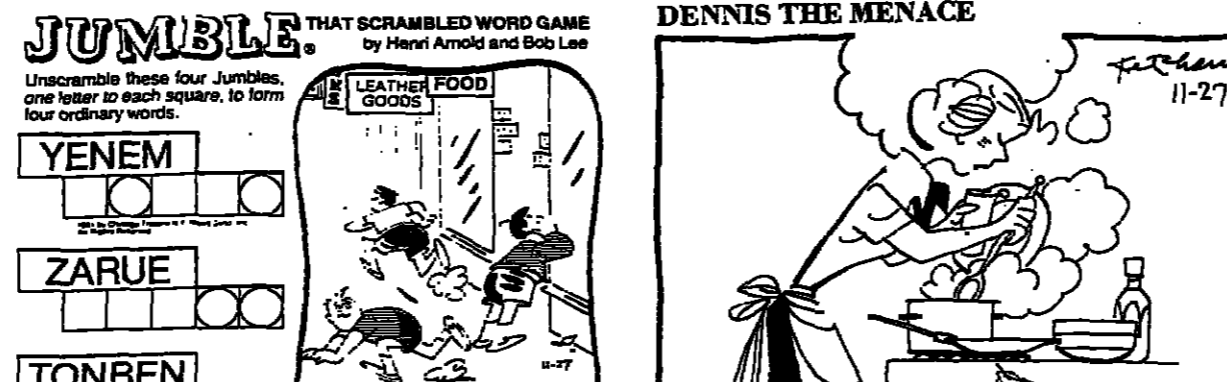
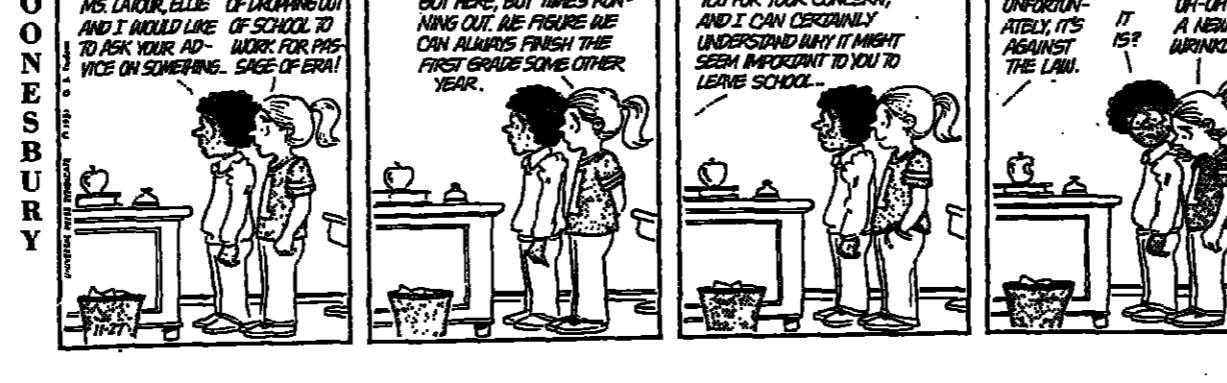


- ACROSS: 1 Vault, 5 Resorts, 9 'Buenos', 13 Food for Moses' people, 14 Work over, 15 Whence some vino comes, 16 Articulate, 17 Elvis, 18 Frisley, 19 Loon gas, 19 Clip, 20 Tranzontanes, 22 Reign of, 23 1785-94, 24 Penthouse, 25 Tropical, 27 Disney dog, 31 Island occupied by the Japanese in 1942, 35 Operated, 36 Excite or incite, 37 Figure at the bat, 39 Whip, 40 Explosive, 41 Fingerstall, 42 Scot's shirt, 43 Eliza Harris, 44 Great number, 46 Eradicat, 48 Hinder, 53 Speak for, 57 Kentucky Derby horse's age. DOWN: 1 Woodworking machine, 2 John, 3 Lead, 4 Macaw, 5 Madriela's titles: Abbr., 6 Be related, 7 Gaspar at Bethlehem, 8 Underwater detection device, 9 Film for which Bette Davis won an Oscar: LSS, 10 What "video" means, 11 Suffix with conflux, 12 Confessor's earful, 13 New wine, 14 Part of TNT, 15 Back of the Bible, 16 Mary, in an old title, 17 Distinctive air, 18 R.C. cleric's title, 19 Quack look, 20 Book of the Bible, 21 A w/ or adze, 22 Prickly pear, 23 Entire, whole, 24 Person in a cast, 25 Cortwood measure, 26 Notched, 27 Pest that causes nagana, 28 Fuel for a lorry, 29 (Euclidean proposition), 30 Soothing word, 31 Farce, 32 President of Panama, 33 Splits, 34 Leo Gorcey, 35 Misma, 36 A first name in who'dunits, 37 Pope John, 38 E.G., 39 Boer's trip in an ox cart.

WEATHER

Table with columns for city, high, low, and weather conditions. Includes cities like ALGARVE, ALGIERS, AMSTERDAM, ANKARA, ATHENS, AUCKLAND, BANGKOK, BEIRUT, BELGRADE, BERLIN, BOSTON, BRUSSELS, SUCRAEST, SUDAPRES, CAIRO, CASABLANCA, CHICAGO, COPENHAGEN, COSTA DEL SOL, DAMASCUS, DUBLIN, EDINBURGH, FLORENCE, FRANKFURT, GENEVA, HELSINKI, HONG KONG, HOUSTON, ISTANBUL, JERUSALEM, LAS PALMAS, LIMA, LISBON, LONDON, LOS ANGELES.

Readings from the previous 24 hours.



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By Emily Hahn. 258 pp. Illustrated. \$14.95.

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200 Madison Avenue, New York 10016.

Reviewed by John Leonard

IN the 1930s, a Filipino school boy was asked to write an essay on "The Cow." This is what he said: "A cow is an animal with a leg on each corner. It has horns and gives milk, but as for me, give me independence."

He was, of course, one of our "little brown brothers." His father and grandfather had many other like them, might have achieved that independence at the end of the 19th century, after 350 years of Spanish rule. Filipino insurrectionists actually controlled most of the islands when Adm. George Dewey steamed into Manila Bay in 1898. The Spanish, after firing a few shots in mock anger, quit the territory; the Americans, without the faintest idea of how to play the part of an imperial power, stayed until 1946. If we think of all about this episode in our history, it is usually to congratulate ourselves on having been benign. We may have worn horns — a U.S. military presence persisting to this day — but we also gave milk.

The Spanish, after all, hadn't even bothered to teach their own language; they were content to convert the heathen to Roman Catholicism in any one of 80 local dialects. The U.S. was philanthropic with our form of English, building schools to propagate it and staffing those schools with soldiers and Protestant missionaries. We were also big on sanitation, unlike, say, the Portuguese. And transportation improved, because an occupying power needs to move about. When, at last, the Filipinos had been thoroughly briefed on "self-control," "self-mastery" and "a thoughtful care for righteous dealing," we waved goodbye and good riddance.

In return, the Philippines gave us sugar when the Haitian connection dried up, hemp, cordage, cotton seed oil and dairy products. Bloomingdale's still buys most of the wicker grown in the islands. Filipinos were eager consumers of our overproduction, and hundreds of thousands of them died in World War II in the service of Douglas MacArthur and the promise of independence. If not the eventualty of Ferdinand E. Marcos and his "constitutional authoritarianism."

Emily Hahn, a staff writer for The New Yorker and author of 50 books ranging from history to children's fiction, seeks in "The Islands" to tell the story of the uneasy U.S. presence in the Philippines. We are introduced to Admiral Dewey, to William Howard Taft, to Henry L. Stimson, to MacArthur and his father, to Aguinaldo and Quezon. We meet planters and civil servants, visit hobo-towns, are bombed on by the Japanese and

Then we granted independence, as if bestowing a lollipop, and would rather not think any more about the Philippines at all. Meanwhile, a radical left grows stronger, a Muslim resistance in the South continues, and Mrs. Marcos decrees a palace of culture on landfill in Manila Bay in order that she might see Rudolf Nureyev while most Filipinos are without water or electricity, not to mention political rights.

Big Brother didn't exactly distinguish himself, and his clumsiness deserves a more critical review.

John Leonard is on the staff of The New York Times.

BRIDGE

By Alan Truscott

A simple question to which there is no simple answer is this: When should a partnership attempt a grand slam?

The scoring is an obvious factor. In rubber bridge, in theory, one needs about two chances in three to justify risking the loss of a sure small slam. In team play, one can be more aggressive. The break-even point is about 57 percent.

There are, however, several practical considerations that can modify these calculations. A factor that justifies some optimism is the possibility that the small slam is seldom guaranteed. Some of the bad distributions that will give the defense one trick will also give a second.

The calculations change completely if the opponents take a save against the small slam. If the vulnerability is in the opponent's favor, it may pay to bid, say, a 30 percent margin rather than accept a small penalty.

In team play, however, there is another factor, pointing toward caution. It can be illustrated by the diagrammed deal from the recent world team championships in Port Chester, N.Y. Should North-South attempt seven spades? What percentage chance does that contract have? The answers to these questions are not easy.

Two of the ten pairs who held the North-South cards bid to seven spades. Luis Attaguena and Agustin Santamarina of Argentina managed with a strong club opening and an artificial two-diamond response, which showed five controls in terms of aces and kings.

This line of play, which is available only after a heart lead, is far from obvious. Any player can be excused for missing it at the table, for several famous analysts failed to see the point in postmortem discussion.

South's chances, playing this way, were about 85 percent. With any other lead, the chance is about 65 percent. So, on the face of it, the grand slam is a desirable proposition.

But there is another consideration which, as it turned out, came into play in both matches. The calculations always assume that the opposing team will bid six or seven, but this cannot be relied on. In this case, both opposing teams, foolishly cautious, resisted four spades. So, the grand-slam bidders would have gained 13 international match points if they had been willing to rest in six spades, and they lost the same number.

Although they could not know it, the grand-slam bid stood to lose 26 points and gain just four, nor a first proposition at all.

West led the heart five. The Australian North-South, Dick Cummings and Tim Seres, used the

Solution to Previous Puzzle

A crossword puzzle solution grid with words filled in.

ADVERTISEMENT INTERNATIONAL FUNDS

Table listing various international funds with their names and prices. Includes funds like BANK OF AMERICA, BANK OF CALIFORNIA, BANK OF NEW YORK, etc.

Durocher Unseals a 76-Year-Old Lip

By Michael Katz New York Times Service NEW YORK — The Lip was unsealed. "If you really want to know," he said slyly, "I'd love to work for George Steinbrenner."



Durocher as a 1928 Yankee

Leo Durocher chuckled. "Maybe I'm crazy," he said, sitting back in the easy chair in his room at the Waldorf Towers. "All the time I was a young man, playing with the Yankees, with Cincinnati, with the Cardinals, I always wished I had played for John McGraw. He was the — what do you call it — the crème de cacao. It never happened."

way. He went from 25 to 50. When somebody would tell him that all the young talent was going off to the war, he'd say, "Judas Priest, I hope to God that some of 'em come back."

No to Finley

Durocher said that when he was managing the Dodgers, Larry MacPhail "fired me a minimum of 60 times." The dismissals began Durocher's first day in spring training, when he won \$660 at a bingo game in Hot Springs, Ark., and celebrated with champagne, only to be told he was "fired for gambling."



Durocher spilling anecdotes in his room at New York's Waldorf Towers.

Maglie was getting tagged in the first inning. "I was never afraid to make a move, you know, so the Dodgers had two runs in and runners on first and third with only one out and I had somebody throwing down in the bullpen," Durocher said.

Miler Sydney Maree — Stepchild of Apartheid

With his degree in economics, Maree plans to return to Villanova to study law and take a masters degree in business administration.

RED SMITH

will be awarded in designated events in a series of meets beginning with an invitational meet Jan. 16 at the Meadowlands arena and running through the championships in Madison Square Garden Feb. 26.



LIONS BEAT CHIEFS — David Hill caught one of two touchdown passes thrown Thursday by Eric Hipple as an aggressive Detroit defense contained Kansas City for a 27-10 National Football League victory.

Connors to Skip Davis Cup Final

By Neil Amdur New York Times Service NEW YORK — The absence of Jimmy Connors has overshadowed the selection of John McEnroe and Roscoe Tanner as the U.S. players who will face Guillermo Vilas and José-Luis Clerc of Argentina in singles in the Davis Cup final beginning Dec. 11 in Cincinnati.

because you want to play. That's why John wants to play. Speaking by phone from Miami, Connors said he discussed his plans with Ashe several days ago and decided to skip the final to spend time with his family.

NHL Seeks to Head Off Annuity Pact Ban

The Associated Press MONTREAL — National Hockey League President John Ziegler was to meet Thursday with Canadian finance officials to discuss federal efforts to bar annuity contracts for athletes.

NHL Standings

Table showing NHL Standings for the Eastern and Western Divisions, listing teams like NY Islanders, Philadelphia Flyers, and Boston Bruins with their respective records.

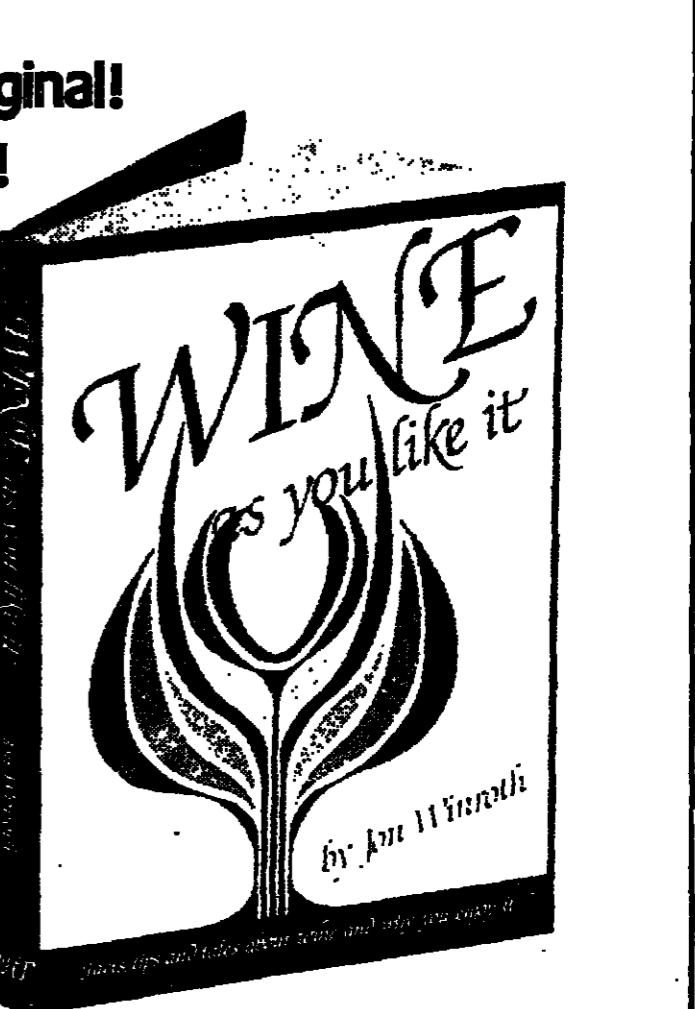
Soviet Women Win Team Title

United Press International MOSCOW — The Soviet Union won the women's team title at the 21st World Gymnastic Championships Thursday to complete the first team double since 1948.

NBA Standings

Table showing NBA Standings for the Eastern, Central, and Western Divisions, listing teams like Philadelphia 76ers, Boston Celtics, and Los Angeles Lakers.

The International Herald Tribune asked its famous wine columnist Jon Winroth to write a new kind of book about wine.



Form for ordering the book 'WINE as you like it', including fields for Name, Address, City and Code, and Country.

Observer

Sitting on Clout Nine

By Russell Baker

NEW YORK — Periodically I read about really dynamic guys who have clout or really efficient gangsters who have muscle, but only occasionally do I envy them.

I know a man who has clout. The problem with having clout is that you have to use it regularly if only to keep your friends and the world at large reminded that you have it.

If there is a sold-out Broadway show that absolutely nobody can get tickets to, the fellow with clout has to get tickets to it whether he wants to see it or not.

Not for me. Most of the time, give me a quiet evening at home with "Make Believe Ballroom" on the radio, Henry James in one hand and a martini pitcher in the other, and you can step on my coxms without getting more than a contented whimper.

However, there are times — yes, there are times — times when insolence, arrogance, insult, imperatence are heaped so high that the humiliation becomes unbearable, and I find myself sinking into the basest kind of clout envy. And, yes, even muscle envy.

Twice I have suffered these seizures this autumn. The first was brought on by a certain person with whom I contracted for eight pieces of board to fit in my bookcase. Not an entire bookcase, mind you. Nothing so impossibly demanding. Just a few boards for shelving in the existing structure.

Eight months ago, I asked this person to supply the boards. They have still not arrived, despite frequent appeals. He explains that he is a terribly busy man, or that the boards will arrive any day now and the weeks and months pass and the boards do not come.

For a while, listening to "Make Believe Ballroom" and holding my martini, I occasionally put down my Henry James and said, "I must not become irritated, for doubtless there is a terrible board shortage in the world and this good fellow is scouting Mongolia for a tree to fulfill his promise."

Suddenly, one night right in the middle of "The Golden Bowl," the truth leaped at me. I was in the hands of a man who had deliberately set out to humiliate me by demonstrating that I had no clout, no muscle with which to make him come across with the boards.

At that instant I would have submitted to all the dismal football bowl ever played, to exchange for the clout to make him pay his forelock. A few phone calls, friends, perhaps, Jackie O's, Princess Grace. People like that. "Darlings, remember that wood man you heard was so good? He's the bottom. Dreadful. Can't even produce a few shelf boards."

With that out of the way, I could have dealt with the auto-repair tycoon to whom my car was delivered by tow truck on Sept. 5. By Oct. 29, some seven weeks later, he had still not replaced the ball joint it needed or patched the hole in the exhaust pipe.

For five or six weeks, listening to "Make Believe Ballroom" and reading my Henry James, I had said, "I must not yield to paranoia. This is an extremely busy auto-repair tycoon and doubtless there is a terrible worldwide ball-joint and exhaust-pipe-shortage in the world."

Then one night the truth leaped out of the martini. This insolent repair baron had sized me up on the tow truck as a person with neither clout nor muscle.

How pleasant to be able to phone my boys. "Just stuff him in a car trunk and smash his kneecaps a little, boys." I might have said, "I didn't," because I couldn't, because I had planned my life badly.

What did I do instead? Listened to "Make Believe Ballroom" and opened Henry James. Did I hear someone sneering, or was it only the music of the second martini?

NEW YORK TIMES SERVICE

'West Side Story': Right Bank Story

By David Stevens

PARIS — Although the welcome mat is not exactly out for American products at the French Culture Ministry, an entirely made-in-U.S.A. production of "West Side Story" has moved in for more than eight weeks at the capital's largest theater.

The production, at the Théâtre Musical de Paris-Châtelet on the Right Bank for eight performances a week through Jan. 10, is essentially the Broadway revival that ran for about eight months in 1980 — 23 years after the Jerome Robbins-Leonard Bernstein-Arthur Laurents-Stephen Sondheim collaboration turned a page in the history of American musical theater.

Unlike a "My Fair Lady," this show cannot be revived with stars from yesteryear's original. Most of this year's members of the Sharks and Jets street gangs were infants, if that, when "West Side Story" opened in Washington and then New York's Winter Garden in 1957.

"You take a group of young people that you hammer into proper very fast," says Gerald Freedman, who has supplied this production with the memory its cast-members could not have. "It takes a lot of vigilance because everybody in it is young and there are a lot of injuries."

In 1957, the 30-year-old Freedman got a small program credit as "assistant to Mr. Robbins." Last year he was in on the revival, this time with co-director status. His job then and now was essentially to make actors out of singer-dancers — there is after all a story — and he was here for a few days ironing out some wrinkles for the Paris run.

Between original and revival Freedman has pursued a career as a stage director almost equally divided among straight theater, musicals-operettas, and opera. He directed the original Public Theater production of "Hair," created a dramatic presentation of Bach's St. Matthew Passion for the San Francisco Spring Opera, and for a while was artistic director of the American Shakespeare Festival. Recent projects have included Shostakovich's "Lady Macbeth of Mzensk," "Measure for Measure," "Song of Norway," and the present version of "West Side Story."

"What works is still the story, and the dancing works because it is great choreography," the soft-spoken director said of this revival. But the passage of time has made some differences.

"Robbins had a couple of assistants from the original company for last year's revival, and it was fascinating to see them dissect the movement and teach it to today's kids," he recalled. "Then, that kind of dancing was contemporary; now the center of gravity is different, there is no reference point in disco or rock dancing. It's like starting from scratch, it's teaching someone movement to modern dancers."

Hiring for the revival turned out to be a different experience than in 1957, for social and artistic reasons, partly due to the impact of "West Side Story" itself. "In 1957, the idea of an all-around performer was still a rarity — yes, there were a few gifted people, but in general an actor never thought of dancing and we used to hire in separate categories. Now the all-around performer is taken for granted, and the category of dancer-singer is recognized. In that respect, 'West Side Story' was the catalyst."

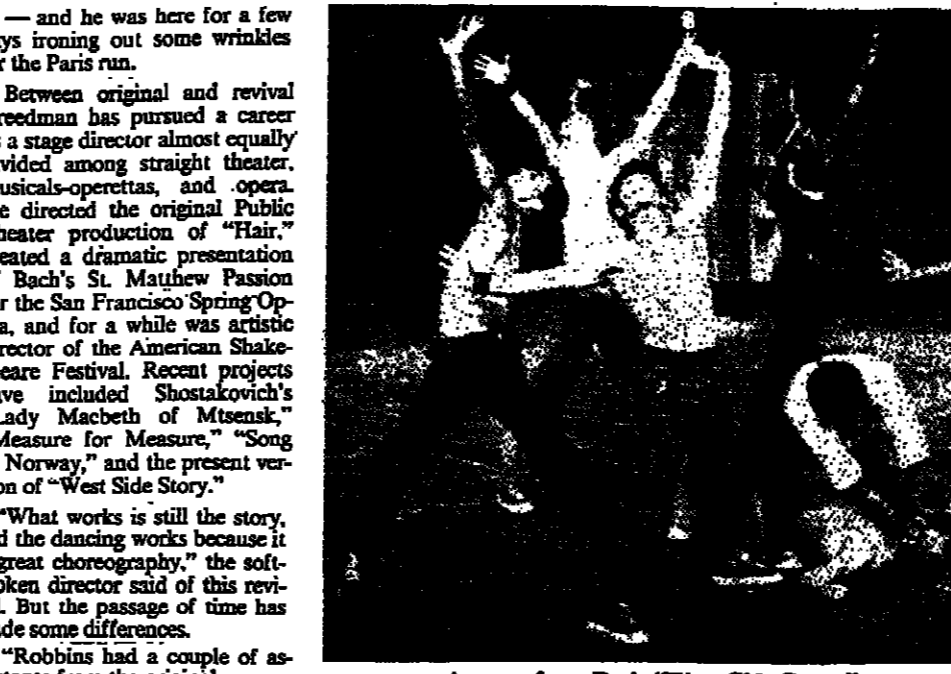
On the other hand, Freedman added, "it was easier to find good dancers in the '50s. For one thing, the dance explosion hadn't happened yet, and for another, young dancers could work with great choreographers in Broadway shows, people such as Agnes de Mille, Robbins, Michael Kidd, Hanya Holm and, earlier, Balanchine. Now it's harder to find dancers of high quality. The ballet opportunities are so much greater, they can get full-year contracts with ballet companies."

Another thing, Maria and her Puerto Rican family are actually played by Puerto Ricans in this production, Freedman added. "In 1957 the Hispanic performer who had the training was a rarity; Maria and her family were mostly Italian and Jewish."

Indeed, "West Side Story," with its tale of conflict between Puerto Rican and white Americans, almost started life as "East Side Story," with the gang warfare between Italians and Jews on Manhattan's Lower East Side. "Time sort of caught up with it," Freedman suggested, and before the show reached the stage "New York woke up to the fact of thousands of Puerto Ricans in the city. Now it seems like a natural, with the musical possibilities, the rhythms and contrast."

"West Side Story," so contemporary in 1957, remains fresh, there are reasons enough. Robbins' vital and expressive choreography, Laurents' carefully crafted book, Bernstein's music — on his recent passage through Paris, the composer looked back and pronounced himself proud of his sophisticated and "carefully integrated score." And Sondheim, in 1957 the new boy in the group, supplied lyrics — well — by Sondheim. The blend and balance of talents was, and is, awesome, and as Freedman says, "there is substance and character development, and there is integrity in every single line."

At first, the show had difficulty finding a producer because many thought it didn't treat the social problems seriously. But the Puerto Rican-American thing is a smokescreen; it fooled people. "The point is that it works on the story level. All you need are two conflicting families in an urban setting. How many times have you seen 'Romeo and Juliet' on TV? No matter. You still want the lovers to make it."



A scene from Paris "West Side Story."

Gerald Freedman, right, with show's conductor, David Stahl.

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Gerald Freedman, right, with show's conductor, David Stahl.

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PEOPLE: Visit to Homeland Eludes Arkansas Traveler, 91. Miller Russett, 91, didn't plan ahead enough in his attempt to visit Romania, the country he left in 1907 for a new life in the United States. Russett, 17 when he left Romania, found work at a single factory in Detroit and 25 years later, when he visited the famous hot springs in central Arkansas, decided to move there. Earlier this fall, the retired shopkeeper sold his home in Hot Springs, packed all his worldly goods and purchased a one-way ticket to West Germany to make his way to his homeland, to surprise the relatives he had not heard from since 1934. Russett, carrying two old suitcases and about \$3,000 boarded a flight Nov. 14 from Little Rock to Frankfurt. Airline personnel did not know he planned to journey to the small Romanian town he left almost three-quarters of a century ago. They took him in a wheelchair to Frankfurt customs agents, who found he had no visa or clearance to enter Romania. The customs agents decided the visitor from Arkansas did not belong in West Germany either, and declared him an "undetectable." U.S. officials in Frankfurt discouraged Russett from continuing his journey, noting that with only the name of a town near the Hungarian border and identities of relatives last contacted in 1934, he would be unlikely to get a Romanian visa. Airline officials arranged accommodations and a flight back to the United States. Three welfare officials met Russett on his return and he went home to Hot Springs a saddened man. "I'll never make the trip again," he said.